**FOR USE IN MA, ME, NH, RI, and VT**

**Remove this notice before executing and recording this document.**

PLEASE CONSULT LEGAL COUNSEL TO ENSURE FULL COMPLIANCE WITH RECORDING AND OTHER REQUIREMENTS OF STATE LAW. BY PROVIDING YOU WITH THESE DOCUMENTS, THE FEDERAL HOME LOAN BANK OF BOSTON (FHLBank Boston) IS IN NO WAY PROVIDING LEGAL ADVICE OR MAKING ANY REPRESENTATION AS TO THE EFFECTIVENESS OF THE DOCUMENTS.

**Pay particular attention to the following:**

1. No modifications are allowed without agreement of FHLBank Boston prior to execution.
2. **The parties identified in this document must reflect the parties, as applicable, to the executed AHP Agreement related to this transaction.**
3. **The legal description of the property(ies) should match the legal description included in the associated first mortgage.  Please contact FHLBank Boston if this will not be the case.**
4. **If this is a leasehold transaction, please update the document appropriately.**
5. **ERRORS TO THIS OR ANY OTHER RELATED LEGAL DOCUMENTS REGARDING FHLBank Boston AHP FUNDING WILL DELAY FUNDING AND REQUIRE CORRECTION AT THE BORROWER’S SOLE EXPENSE.**
6. The original and recorded documents should be provided to the lender and not FHLBank Boston. Complete copies of fully executed and/or recorded documents should be provided to FHLBank Boston.

For more information, contact your Community Investment Manager at FHLBank Boston.

FEDERAL HOME LOAN BANK OF BOSTON

Affordable Housing Program (AHP) – Owner-Occupied  
  
INTERIM MORTGAGE NOTE

**DATE**: **«close\_date»**

For value received, **«borrower\_name(s)»** (hereinafter referred to as the “Borrower”), having an office at **«address»**, **«city»**, **«state»** promises to pay to the order of **«lender\_name»** (hereinafter referred to as the “Lender”), maintaining offices at **«headquarters\_street\_address»**, **«city\_state\_zip»**, the Affordable Housing Program Subsidy of **«AHP\_subsidy\_amount»** Dollars (the “AHP Subsidy”) in lawful money of the United States of America.

**Property Address: «property\_address», «property\_city», «property\_state», «property\_zip»**

1. PAYMENTS

The Borrower shall make all payments hereunder at such address as the Lender may provide the Borrower.

1. BORROWER’S ACKNOWLEDGMENTS AND AGREEMENTS
2. The Borrower hereby agrees that the Lender, the Federal Home Loan Bank of Boston (“FHLBank Boston”), and, in FHLBank Boston’s discretion, its designee shall be given thirty (30) days prior written notice of a sale, transfer, assignment by title or deed, or refinancing of the Property (as defined in that certain **Interim Mortgage**, of even date herewith, executed by Borrower in favor of Lender (as amended from time to time, the “Security Agreement”) that secures this Note.
3. This Note implements requirements applicable to assistance furnished for the benefit of the Borrower to the Lender under the Affordable Housing Program (“AHP”) of FHLBank Boston as provided in the Affordable Housing Program Agreement For Owner-Occupied Initiative (as amended from time to time, the “AHP Agreement”) entered into in connection with the AHP Subsidy.
4. This Note, the Security Agreement, and the Related Documents (as defined in the AHP Agreement) to which the Borrower is a party have been or will be duly executed and delivered and are, or upon execution will be, valid and legally binding obligations of the Borrower, enforceable against the Borrower in accordance with their terms.
5. The consummation of the transactions contemplated hereby and the execution, delivery and performance of this Note, the Security Agreement and the Related Documents by the Borrower will not violate or constitute or result in a material breach of or a default under any agreement, mortgage, deed of trust, lease, loan or security agreement, or any other instrument towhich the Borrower is a party or by which it may be bound or affected.
6. REPAYMENT OBLIGATION
7. The Borrower acknowledges and agrees that if FHLBank Boston determines by its own monitoring in its sole discretion or FHLBank Boston is informed by the Lender that the AHP Subsidy will not be or was not used for the purposes approved by FHLBank Boston (an “Event of Noncompliance”), the full amount of the AHP Subsidy not used in compliance with the approved purposes, including interest as determined in FHLBank Boston Boston’s sole discretion, must be repaid by the Borrower to the Lender.
8. In the event the Property that secures this Note is sold, transferred, or assigned by title or deed prior to the Expiration Date (as defined in the Security Agreement), the Borrower agrees to repay to the Lender the AHP Subsidy unless the purchaser is an eligible household, as defined by the Federal Housing Finance Agency’s Affordable Housing Program Regulations 12 CFR Part 1291 et seq. as may be amended from time to time (the “AHP Regulation”), and as determined by FHLBank Boston in its sole discretion.
9. In the event the Borrower refinances the Property prior to the Expiration Date, the Borrower must repay the Lender the AHP Subsidy unless the Property continues to be subject to a deed restriction or other legally enforceable retention agreement or mechanism incorporating the notice of sale or refinancing requirement and the requirements in sections 3.B and 3.C contained herein and any additional requirements of the AHP Regulation.

Additional information is available at [www.fhlbboston.com](http://www.fhlbboston.com) under the tab “Affordable Housing Program” or by contacting FHLBank Boston.

1. FORGIVENESS

Provided the proceeds from the AHP Subsidy are used for the purposes approved by FHLBank Boston, and no Event of Noncompliance has occurred, the AHP Subsidy will be forgiven on the Expiration Date and no payment will be due on the AHP Subsidy or interest, if applicable.

1. THIRD PARTY BENEFICIARY

The Borrower agrees that FHLBank Boston is an intended, third party beneficiary of this Note and is entitled to rely upon all rights, representations, warranties, and covenants made by the Borrower herein to the same extent as if FHLBank Boston were the Lender hereunder.

1. CHANGES IN TERMS

This Note may not be changed orally but may be changed only by an agreement in writing, signed by the party against whom enforcement of any waiver, change, modification or discharge is sought.

1. APPLICABLE LAW AND SEVERABILITY

This Note shall be governed by the laws of the United States and, to the extent federal law incorporates or defers to state law, the laws of the State/Commonwealth where the Property is located (excluding, however, the conflict of laws rules of such State/Commonwealth). In the event that any portion of this Note conflicts with applicable law, such conflict shall not affect other provisions of this Note that can be given effect without the conflicting provision, and to this end the provisions of this Note are declared to be severable.

1. WAIVERS

All parties to this Note, whether maker, principal, surety, guarantor, or endorser, hereby waive demand, notice, and protest.

1. SUCCESSORS AND ASSIGNS

This Note shall inure to the benefit of the successors and assigns of the Lender and FHLBank Boston.

1. NOTICES

All notices and other communications shall be mailed, sent by facsimile transmission (with confirmation copy), served personally on a party at the address indicated below, or at such other address as shall be designated by a party by future written notice to the other parties, or sent by electronic mail (“email”) with notice by one of the other delivery methods set forth in this section to promptly follow. Notice sent by facsimile transmission shall be effective on the date transmitted; notice sent by personal service shall be effective on the date of delivery; notice sent by U.S. mail shall be effective three (3) business days after such communication is deposited in the mail with first class postage prepaid, addressed as aforesaid, and notice sent by email shall be effective upon the recipient’s confirmation of receipt.

Notice to FHLBank Boston shall be sent to the following address, or such other location that becomes FHLBank Boston’s primary place of business (provided that FHLBank Boston shall notify the parties in writing prior to such change):

Federal Home Loan Bank of Boston

800 Boylston Street, 6th Floor

Boston, MA 02199

Attn: Housing and Community Investment Department

1-800-357-3452 (Option 5)

Email: [housing@fhlbboston.com](mailto:housing@fhlbboston.com)

Notice to Lender shall be sent to:

Email:

1. REPORTING REQUIREMENTS

FHLBank Boston has established policies and is committed to implementing and maintaining processes and controls to discover and report suspicious activity, including, but not limited to, fraud and money laundering. The Borrower and Lender are each expected to support FHLBank Boston’s efforts in identifying suspicious activity by immediately providing written notification of any suspicious activity in relation to their dealings with FHLBank Boston. Should the Borrower or Lender believe there is suspicious activity related to a FHLBank Boston business transaction, such party must notify FHLBank Boston immediately. The Borrower and Lender will also provide FHLBank Boston with all information, documentation and assistance reasonably requested by FHLBank Boston in response to FHLBank Boston’s receipt of any such notice from the Borrower or Lender.

1. CONFLICT

To the extent the Lender and the Borrower have entered into any other agreements pertaining to the Property, the terms of such agreements remain in full force and effect, provided *however,* in the event of any conflict between such agreements and this Note, unless otherwise expressly provided in this Note, the terms of this Note shall prevail.

[SIGNATURES ON NEXT PAGE.]

IN WITNESS WHEREOF, the undersigned has executed this instrument as of the date and year

above set forth.

WITNESS:

Borrower

Borrower