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

SUBJECT TO ANY ADDITIONAL STATE LAW REQUIREMENTS.

**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 – Owner-OccupiedINTERIM MORTGAGE

THIS MORTGAGE for Affordable Housing Program (the “AHP”) funds is made on **«close\_date»** (the “Closing Date”) by **«borrower\_name(s)»** (the “Borrower”) having an office at **«address», «city», «state»** to **«lender\_name»** (the “Lender”), maintaining offices at **«headquarter\_street\_address», «headquarter\_city\_state\_zip»**.

WHEREAS, the Federal Home Loan Bank of Boston (“FHLBank Boston”) is providing AHP funds to the Borrower through the Lender for purchase, construction or rehabilitation costs in connection with the purchase, construction or rehabilitation of affordable housing units by the Borrower;

WHEREAS, FHLBank Boston and the Lender entered into anAffordable Housing Program Agreement For Owner-Occupied Initiative (as amended from time to time, the “AHP Agreement”) in connection with this Propertyto issue funds to the Borrower through the Lender pursuant to the AHP;

WHEREAS, the Borrower has agreed to purchase, construct or rehabilitate housing units for sale to eligible households as defined by 12 CFR Part 1291 et seq., as may be amended from time to time (the “AHP Regulations”) and pursuant to the AHP Agreement;

WHEREAS, the Borrower has agreed that any sale or conveyance of the Property shall be subject to a deed restriction or other legally enforceable retention agreement or mechanism as required by the AHP Regulation and satisfactory to FHLBank Boston; and

WHEREAS, the Borrower is indebted to the Lender in the amount of **«AHP\_subsidy\_amount»** Dollars (the “AHP Subsidy”), which indebtedness is evidenced by the Borrower’s Note of even date herewith(as amended from time to time, the “Note”).

NOW THEREFORE, TO SECURE TO LENDER (a) the repayment of the indebtedness evidenced by the Note and (b) the performance of the covenants and agreements of the Borrower herein contained, the Borrower does hereby mortgage, grant, convey, and assign to Lender the Property (hereinafter defined) described below.

1. MORTGAGE AS SECURITY
2. This Mortgage secures to the Lender: (i) the repayment of the AHP Subsidy; and (ii) the performance of the Borrower’s covenants and agreements under this Mortgage and the Note. For this purpose, the Borrower does hereby mortgage, grant and convey to Lender, with MORTGAGE COVENANTS UPON THE STATUTORY CONDITION AND, TO THE EXTENT PERMITTED BY APPLICABLE LAW, WITH THE STATUTORY POWER OF SALE, the following described property:

County of **«property\_county»**, and State/Commonwealth of **«property\_state»**, specifically described as follows:

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

Section No.: **«sect\_no»** Block No.: **«block\_no»** Lot No.: **«lot\_no»**

Which is more particularly described in the Legal Description attached hereto as Exhibit A (the “Property”).

1. This Mortgage is subject and subordinate to mortgage(s) recorded against the Property dated as of the Closing Date.
2. EXPIRATION DATE

Provided the proceeds from the AHP Subsidy are used for the approved purposes set forth in the AHP Agreement and AHP Regulations (hereinafter defined), and no Event of Noncompliance (as hereinafter defined) has occurred, this Mortgage will be discharged when the Property is conveyed to an eligible household as defined by the AHP Regulation and the AHP Agreement (the “Expiration Date”).

1. AHP SUBSIDY

The Borrower hereby acknowledges and agrees that the AHP Subsidy represents a payment for costs for the purchase, construction or rehabilitation of the Property described in section 1.A above which will be used as affordable housing as defined in the AHP Regulation and pursuant to the AHP Agreement. If the proceeds from the AHP Subsidy are used for the purposes approved under the AHP, the indebtedness will be assumed by an eligible household and no payments will be due on the AHP Subsidy.

1. NOTICE OF A SALE, TRANSFER, ASSIGNMENT OF TITLE OR DEED, OR REFINANCING

The Borrower hereby agrees that the Lender, FHLBank Boston, and, in FHLBank Boston’s discretion, FHLBank Boston’s designee shall be given thirty (30) days prior written notice of a sale, transfer, assignment of title or deed, or refinancing of the Property prior to the Expiration Date.

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

Notice to Lender shall be sent to:

 Email:

1. REPAYMENT OBLIGATION
2. The Borrower agrees that the AHP Subsidy will only be used for the purpose approved by FHLBank Boston under the AHP, i.e. purchase, construction or rehabilitation costs of housing unit(s) by the Borrower, which will be used as affordable housing as defined in the AHP Regulation and the AHP Agreement. 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 that was not used in compliance with the approved purposes, including interest as determined in FHLBank Boston’s sole discretion, must be repaid by the Borrower to Lender.
3. In the case of a sale, transfer, or assignment of title or deed prior to the Expiration Date, the Borrower agrees to repay to the Lender the AHP Subsidy unless the purchaser is an eligible household, as defined by the AHP Regulations and as determined by FHLBank Boston in its sole discretion.
4. In the event the Borrower refinances prior to the Expiration Date, the Borrower must repay the AHP Subsidy, unless the Property continues to be subject to a deed restriction or other legally enforceable retention agreement or mechanism incorporating the covenants set forth in sections 4, 5.B and 5.C contained herein.
5. The Lender shall be entitled to collect the AHP Subsidy owed by the Borrower by taking the following actions:
6. The Lender shall give notice to the Borrower following the Borrower’s breach of any covenant or agreement in this Mortgage, specifying the nature of said breach and the action and time within which to cure the default.
7. If the default is not cured on or before the date specified in the notice, the Lender at its option and in its sole discretion may require immediate payment of all sums secured by this Mortgage without further demand and may invoke any remedies permitted by applicable law. The Lender shall be entitled to collect all expenses incurred in pursuing the remedies provided herein including but not limited to, reasonable attorney’s fees and costs of title evidence. If the Lender invokes the STATUTORY POWER OF SALE, the Lender shall provide notices in the manner prescribed by applicable law.

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

1. THIRD PARTY BENEFICIARY

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

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. MISCELLANEOUS
2. The Borrower acknowledges and agrees that the AHP Subsidy is subject to the terms and conditions of this Mortgage, the Note, the AHP Agreement and the AHP Regulations.
3. The Borrower agrees to the terms and conditions of this Mortgage and certifies that its representations contained in its AHP Application (as defined in the AHP Agreement) and the AHP Agreement are true and accurate.
4. By executing this Mortgage in the space indicated below, the Borrower fully understands and agrees to the terms and conditions contained herein. The Borrower acknowledges that he/she must satisfy all terms and conditions contained in this Mortgage.
5. The Borrower agrees to be responsible for all tax issues (including, but not limited to, reporting and payment) arising from receipt of the funds secured hereunder.
6. 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 Mortgage, unless otherwise expressly provided in this Mortgage, the terms of this Mortgage shall prevail.
7. The Borrower acknowledges receipt of a true copy of this Mortgage.
8. This Mortgage 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).
9. In the event that any portion of this Mortgage conflicts with applicable law, such conflict shall not affect other provisions of this Mortgage that can be given effect without the conflicting provision, and to this end the provisions of this Mortgage are declared to be severable.
10. This Mortgage shall inure to the benefit of the successors and assigns of the Lender and FHLBank Boston.
11. This Mortgage 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.

[Signatures on next page]

IN WITNESS WHEREOF, the undersigned Borrower executes this Mortgage on the day and year first above written:

WITNESS:

Borrower

Borrower

**[FOR MA]**

COMMONWEALTH OF MASSACHUSETTS

 , ss.

 On this day of 202 , before me, the undersigned notary public, personally appeared , of , proved to me through satisfactory evidence of identification, which was [check one]: photo identification; credible witness; or personal knowledge, to be the person whose name is signed on the preceding or attached document, and acknowledged to me that he/she signed it voluntarily for its stated purpose.

Notary Public

My commission expires:

Corporate Seal

**[FOR ME, NH, RI AND VT]**

STATE OF, COUNTY OF ss.:

On **«close\_date»,** before me, the undersigned, a Notary Public in and for said State, personally appeared **«borw\_list»**, personally known to me or proved to me on the basis of satisfactory evidence to be the individual(s) whose name is subscribed to the within instrument and acknowledged to me that \_he\_ executed the same in her/his/their capacity, and that by her/his/their signature on the instrument, the individual(s) or the person upon behalf of which the individual acted, executed the instrument.

Notary Public

My Commission Expires:

EXHIBIT A

LEGAL DESCRIPTION