

Downpayment Plus®

Mortgage, Retention and Subordination Agreement

Instructions

This Agreement **should only be** used in conjunction with **FHA loans**. Use of this Agreement satisfies the FHA requirement that the Federal Home Loan Bank of Chicago be the DPP mortgage lien holder.

The Promissory Note, Promissory Note Rider and Junior Mortgage must be used with all other loans and programs (conventional, Rural Development, IHDA, etc).

When requesting reimbursement for Downpayment Plus® program grants used with FHA loans, please forward the following documents to the Illinois League of Financial Institutions, 133 South 4th Street, Suite 206, Springfield, IL 62701.

- Certificate of Eligibility and Disbursement Request Form
- Mortgage, Retention and Subordination Agreement (certified copy)**
- Home Buyer Counseling Checklist
- Home Buyer Counseling Certification Form
- HUD-1 Settlement Statement
- Disclosure Statement

The Mortgage Retention and Subordination Agreement must be signed by an officer of the member institution on the Federal Home Loan Bank of Chicago's behalf. The member institution should insert their name on the signature line as the FHLBC's Attorney-In-Fact and Agent. Following the loan closing, please send a certified true and exact copy of the fully executed Agreement with the other required closing documents to the Illinois League of Financial Institutions.

When requesting reimbursement from the Federal Home Loan Bank of Chicago for Downpayment Plus program grants used in conjunction with all non-FHA loans, please forward copies of the following documents to the Illinois League office:

- Certificate of Eligibility and Disbursement Request Form
- Promissory Note (certified copies)
- Promissory Note Rider (certified copies)
- Junior Mortgage (certified copies)
- Home Buyer Counseling Checklist
- Home Buyer Counseling Certification Form
- HUD-1 Settlement Statement
- Disclosure Statement