

AHP PRODUCTS INCOME DOCUMENTATION REQUIREMENTS



The following is being provided to assist shareholders and other related parties in the submission of AHP Income documentation requirements for units assisted with AHP funds. The requirements below include documentation requirements, but should not be considered a comprehensive list as other documentation might be required. For a comprehensive listing of requirements, refer to FHLBank Atlanta’s Affordable Housing Program Implementation Plan available on www.fhlbatl.com.

INCOME DOCUMENTATION REQUIREMENTS

Our income methodology uses current circumstances to anticipate future income. Current circumstances means documentation dated within 90 days of application submission. Future income means for one year starting the date that we receive the application. All sources of income being received by any household member must be disclosed at application submission.

List all current and future sources of household income of any individuals occupying the subject property age 18 and over.

WHOSE INCOME IS COUNTED TO DETERMINE ELIGIBILITY?

Members	Employment Income	Other Income (e.g. income from assets, SSI, etc.)
Head of household	Yes	Yes
Spouses	Yes	Yes
Co-head	Yes	Yes
Other adult (including foster adults)*	Yes	Yes
<i>Dependents</i>		
Child under 18	No	Yes
Full-time student over 18	See note	
Non-occupant Co-borrowers	No	No
Live-in aide	No	No

Note: The earned income of a full-time student 18 years old or older who is a dependent is excluded to the extent that it exceeds \$480 annually. (A maximum of \$480 should be included as an annual amount only). Notwithstanding the foregoing, all income of a full-time student, 18 years of age or older, is counted if that person is the head of the family, spouse, or co-head.

- All income documentation must be no more than 90 days old at date of:
 - AHP Set-aside: submission to FHLBank Atlanta from the application date
 - AHP Set-aside Ownership: at the time the household is qualified by the sponsor for participation in the project
 - AHP General Fund Rental: the AHP application deadline date, or resident move-in date (whichever is later)

Shareholders and sponsors shall submit the following income documentation to FHLBank Atlanta for each unit requesting AHP subsidy:

<p>Wage Income Documents (Base pay, overtime, bonuses, commissions, shift differential, incentive pay, etc.)</p>	<ul style="list-style-type: none"> • Thirty (30) days of current and consecutive paystubs that include pay periods for the current year. <ul style="list-style-type: none"> • The last paystub received for the prior year required in the first quarter (January – March) • A verification of employment in addition to paystubs must be provided if the following circumstances exist: <ul style="list-style-type: none"> • The paystubs do not list total year-to-date earnings • The paystubs were paid this year but only include pay periods from the prior year • The paystubs show an increase in pay. The verification of employment must address the source of the pay increase (i.e. a raise, additional pay, bonus, etc.) • Frequency of bonuses or other pay not addressed on pay stubs • Employment is seasonal <p>Note:</p> <ul style="list-style-type: none"> • Year-to-date income is calculated based on a Jan. 1 start date of the pay period during second – fourth quarters unless the last pay stub for the prior year indicates a different start date, if provided • If a raise is shown with a date and amount, we calculate the first partial year at the current rate, then the remaining partial year at the new rate • If more than one way can be used to calculate income from the documentation provided (i.e., annual income, or base rate x hours worked per period x # of periods, or annualized year to date, etc.) we include the calculation that yields the highest results
<p>Zero Income Documentation (Adult household members with no income)</p>	<ul style="list-style-type: none"> • Affidavit of zero income for all adult household members 18 years old and over unless the applicant receives income from one of the following the template of the AHP Zero Income Certification found as a resource or other document deemed acceptable by the Bank
<p>Self-employed</p>	<ul style="list-style-type: none"> • Taxpayer Consent Language document signed by self-employed borrower/household member • Most recent signed, dated and filed federal income tax return (with all Schedules including C and/or E and business return, if applicable)*. • Statement of projected profit and loss addressing 12 months and if after April 1 a profit and loss statement including year-to-date earnings following the template of the AHP Self-employed Income Certification found as a resource or other document deemed acceptable by the Bank <p><i>*If prior year returns have not been filed, provide additional P&L or signed and dated affidavit covering this period as well</i></p> <p><i>*If prior year returns will be filed after the IRS due date, provide IRS verification of non-filing or evidence of an extension of an extension</i></p>
<p>Periodic Payments (Social security, annuities, insurance policies, retirement, pensions, disability or death benefits, veterans benefits, etc.)</p>	<ul style="list-style-type: none"> • Current year award letter all pages (Social Security, Veterans Assistance, etc.) dated within 12 months • Most recent statement for pension, retirement or annuity payments - dated within 12 months <p><i>*Military Housing Allowance is included towards the income calculation</i></p>
<p>General Assistance (Recurring cash contributions/gifts)</p>	<ul style="list-style-type: none"> • Statement or affidavit signed and dated by the borrower/household member or the person providing the assistance, giving the purpose, frequency, and value of contribution/gifts
<p>Alimony or Child Support</p>	<ul style="list-style-type: none"> • Provide alimony or child support documentation for all support being received, whether court ordered or not. Acceptable forms of documentation include all pages of divorce decree, court order or state print-out <p><i>*If not court ordered, provide a statement (over HUD 1010 language) signed and dated by the receiver to confirm the amount of the support</i></p>

<p>Payments in Lieu of Earnings (Worker's compensation, disability, unemployment, general, adoption assistance, foster child or foster adult assistance, housing allowance, etc.)</p>	<ul style="list-style-type: none"> • Benefit notification letter from authorizing agency • Adoption assistance in excess of \$480 annually are not counted • Payments received by the family for the care of foster children or foster adults are not counted • Unemployment award letter including weekly payments
<p>Earned income - Full-time Student 18 Years Old or Older</p>	<ul style="list-style-type: none"> • Provide documentation for income sources as applicable • Verification of full-time student status from the admissions, Registrar's office or dean, counselor, advisor, etc. or from VA office
<p>Rental Income</p>	<p>Anticipated Rental Income (e.g., new rental property not listed on tax returns)</p> <ul style="list-style-type: none"> • Most recent executed lease agreement(s) <p><i>*If no agreement, provide a statement (over HUD 1010 language) signed and dated by the borrower/household member to confirm the amount of the projected rental income for the next 12 months.</i></p> <p><i>*If subject property, provide the market rent analysis from appraisal</i></p> <p><i>*If rental unit for subject property, small residential income property appraisal report or similar</i></p> <p>Current Rental Income</p> <ul style="list-style-type: none"> • Most recent executed lease agreement(s) • Taxpayer Consent Language document signed by borrower/household member • Most recent year signed, dated and filed federal income tax returns (with schedule E) <p><i>*If prior year returns have not been filed, provide additional P&L or signed and dated affidavit covering this period as well.</i></p> <p><i>*If prior year returns will be filed after the IRS due date, provide IRS verification of non-filing or evidence of an extension.</i></p>

TOOLS

The following are tools that can be used to obtain applicant's income when determining eligibility for Affordable Housing Programs (AHP):

- Fannie Mae Request for Verification of Employment Form
- AHP Zero Income Certification
- AHP Self-employed Income Certification