

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 for the following, 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 must be dated within 90 days of submission to FHLBank Atlanta. Future income means: for one year starting the date that we receive the application.

WHOSE INCOME IS COUNTED TO DETERMINE ELIGIBILITY?

Members	Employment Income	Other Income (including income from assets)
Head of Household	Yes	Yes
Spouses	Yes	Yes
Co-head	Yes	Yes
Other adult *(including foster adults)*	Yes	Yes
Dependents		
Child under 18	No	Yes
Full-time student over 18	See note	
Non-occupant Co-borrowers (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 Competitive Ownership: at the time the household is qualified by the Sponsor for participation in the project
 - AHP Competitive 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>Earned 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, and the last paystub received for the prior year • Effective April 1, 2018, we will no longer accept VOEs to verify income for wage earning household members. If applicable. VOEs showing any raises or additional income information not evident on paystubs should be provided in addition to the required paystubs. • Affidavit of zero income for all adult household members 18 years old and over unless the applicant receives income from one of the following sources identified on the AHP Zero Income Certification
	<p>Note:</p> <ul style="list-style-type: none"> • 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>Self-Employed</p>	<ul style="list-style-type: none"> • Most recent signed, dated and filed federal income tax return (with all Schedules including C and/or E and business return, if applicable)*. If past April 1st, the following must also be provided: <ul style="list-style-type: none"> • Year-to-date (YTD) earnings signed and dated in the form of a Profit and Loss statement or a self-declaration affidavit covering the period of Jan.1 through YTD • Projection of anticipated earnings statement for the next 12 months (beginning when YTD earnings end)-Example: If YTD statement ends 4/30/2018, 12-month projection begins 5/1/2018 and ends 4/30/2019 <p>*if prior year returns have not been filed, provide additional P&L or statement covering this period as well. *If prior year returns will be filed after the IRS due date, provide IRS verification of non-filing or evidence of an extension</p>
<p>Periodic Payments (Social security, annuities, insurance policies, retirement, pensions, disability or death benefits, veterans benefits)</p>	<ul style="list-style-type: none"> • Current year award letter (Social Security, VA, etc.) - dated within 12 months • Most recent statement for pension, retirement or annuity payments - dated within 12 months <p>Clarification: Only Military Housing Allowance is included towards the income calculation. GI Bill and tuition reimbursement is not included.</p>
<p>Other Periodic Payments (Business expenses for non-self/employed borrowers)</p>	<ul style="list-style-type: none"> • Letter or a VOE from the employer to support the reimbursement is not above and beyond the salary or base pay along with a statement confirming the disbursement is not for an un-reimbursed expense • Documentation from the applicant to support the expenses <p>Clarification: all other income such as OT, Bonuses, Commission, Shift Diff must be included</p>
<p>Recurring Cash Contributions/Gifts > \$50</p>	<ul style="list-style-type: none"> • Statement or affidavit signed and dated by the 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 child support documentation for all child support being received, whether court ordered or not. Acceptable forms of documentation include: divorce decree, court order, state print-out or statement (over HUD 1010 language) signed and dated to confirm the amount of the support.

<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
<p>Earned income - Full-time Student 18 years old or older</p>	<ul style="list-style-type: none"> • 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>	<ul style="list-style-type: none"> • Copy of most recent executed lease agreement(s) • Most recent year signed, dated, and filed federal income tax returns (with schedule E) • If prior year returns are not available due to not being filed yet, provide a Profit and Loss Statement covering this period as well. If prior year returns will be filed after the IRS due date, provide IRS verification of non-filing or evidence of an extension • If prior year tax returns are not available due to borrower not filing and not required to file, the following is required: <ul style="list-style-type: none"> • Statement (over HUD 1010 language) dated by the household member(s) to certify the federal income tax returns are not available due to not being required to file • Provide anticipated earnings over next 12 months
<p>Interest income</p>	<ul style="list-style-type: none"> • Bank statements covering at least two current and consecutive months, or • Statement (over HUD 1010 language) signed and dated that confirms the amount of interest income

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