

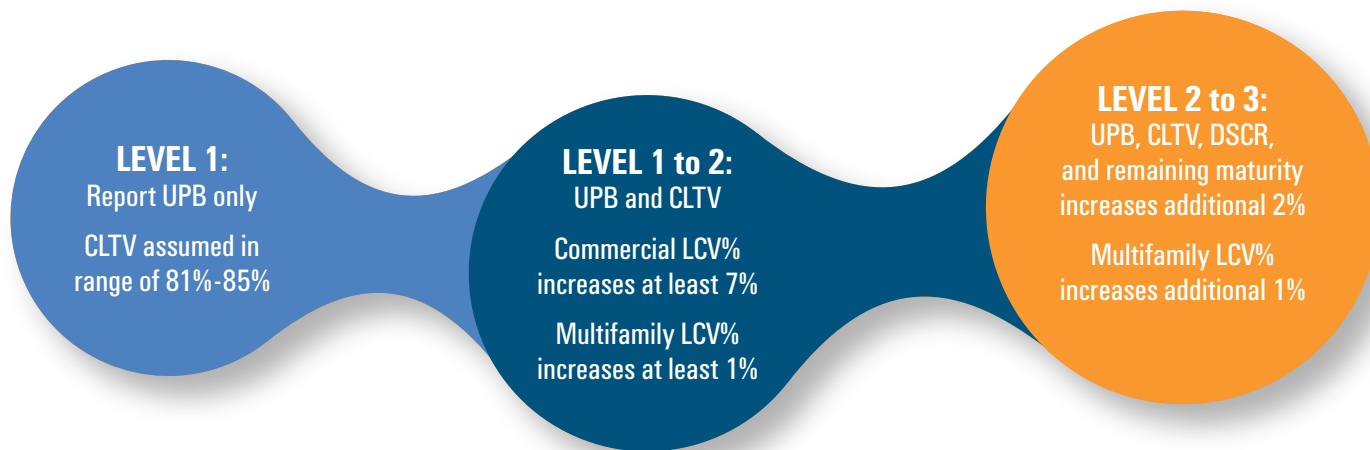
EXPLORE COLLATERAL OPPORTUNITIES

FHLBank Atlanta has made significant investments to create more borrowing flexibility for your institution by providing opportunities to report new types of collateral and gain more value from the collateral you already report. Take a closer look at some of our current opportunities and call your Collateral Relationship Specialist for further details.

REPORT MORE DATA

Boost your lendable collateral value (LCV) within the commercial and multifamily portfolios by increasing your level of reporting. Currently, the Bank offers three levels of reporting within the commercial and multifamily portfolios. The more information you provide when reporting your loans, the better your opportunity to increase your final LCV.

- **Level 1** – report unpaid principal balance (UPB) of loans only, resulting in most conservative valuations
- **Level 2** – report UPB and combined loan-to-value (CLTV) ratio of loans for potentially higher value than reporting UPB only
- **Level 3** – report UPB, CLTV, debt service coverage ratio (DSCR), and remaining maturity of loans for the highest potential value



RESIDENTIAL AVAILABLE FOR SALE (RAFS)

RAFS enables you to establish LCV on your pipeline of closed residential 1-4 family mortgages awaiting sale into the secondary market. RAFS collateral becomes part of your general collateral pool – expanding overall borrowing capacity – and can be used to secure advances at standard market pricing. It's a flexible, readily available source of additional collateral capacity for a mortgage warehouse line or any other short- or long-term borrowing need.

Shareholders are receiving more than \$ 1.9 billion in LCV from RAFS collateral.*

* Information is as of March 12, 2018

MUNICIPAL SECURITIES

Municipal securities are one of our newest collateral opportunities and a great way to add LCV for your institution's borrowing needs. Municipal securities collateral offers many benefits, including:

- Flexibility to use as collateral for advances and letters of credit
- Second highest LCV percentage of eligible securities accepted by the Bank
- More stable collateral base than mortgage-backed securities since pay downs are less frequent
- Ability to receive projected LCV for your securities prior to pledging

To be eligible, municipal securities must be rated AA- or higher, have proceeds that were used for real estate purposes, and meet other requirements. FHLBank Atlanta will determine the real estate purpose nexus for you.

Shareholders are receiving more than \$1.8 billion in LCV from municipal securities.**

NEW! FARMLAND MORTGAGE LOANS

Farmland mortgage loans can now be reported as eligible collateral and provide another avenue to increase your LCV. Eligibility requirements are most similar to existing commercial real estate collateral and include:

- First lien, 85 percent maximum LTV, fully disbursed, and non-revolving loans
- Agriculture must be the principal use of the land with structures not exceeding 50 percent of the overall value, excluding any agricultural products or personal property
- All other loan collateral eligibility guidelines apply
- Farmland collateral will receive 50 percent of the LCV given to standard commercial loans

To pledge and report farmland loans, you must execute an amendment to the Advances and Security Agreement providing a blanket lien on farmland loans.

CUSTOMIZED TRAINING

Looking to learn more about collateral eligibility or how to report a new portfolio? A customized training session is a great way to start. Customized training is an interactive way for you and your colleagues to learn more about the Bank's collateral eligibility guidelines and offers proven results in helping you to prepare for an upcoming Collateral Verification Review (CVR).

CONTACT US

We look forward to working with you to help you take advantage of these collateral opportunities. To get started, contact your Collateral Relationship Specialist.

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Municipal securities can be pledged only by shareholders with a credit score 1-8. Credit score 9 and 10 shareholders are not eligible to pledge municipal securities. Shareholders with credit scores 1-9 may participate in RAFS, subject to approval. The Federal Home Loan Bank of Atlanta is not a registered investment advisor. Nothing herein is an offer to sell or a solicitation of an offer to buy any securities or derivative products. You should consult your own legal, financial, and accounting advisors before entering into any transaction.

** Information as of March 5, 2018