



# How to be a Successful Affordable Housing Program Applicant

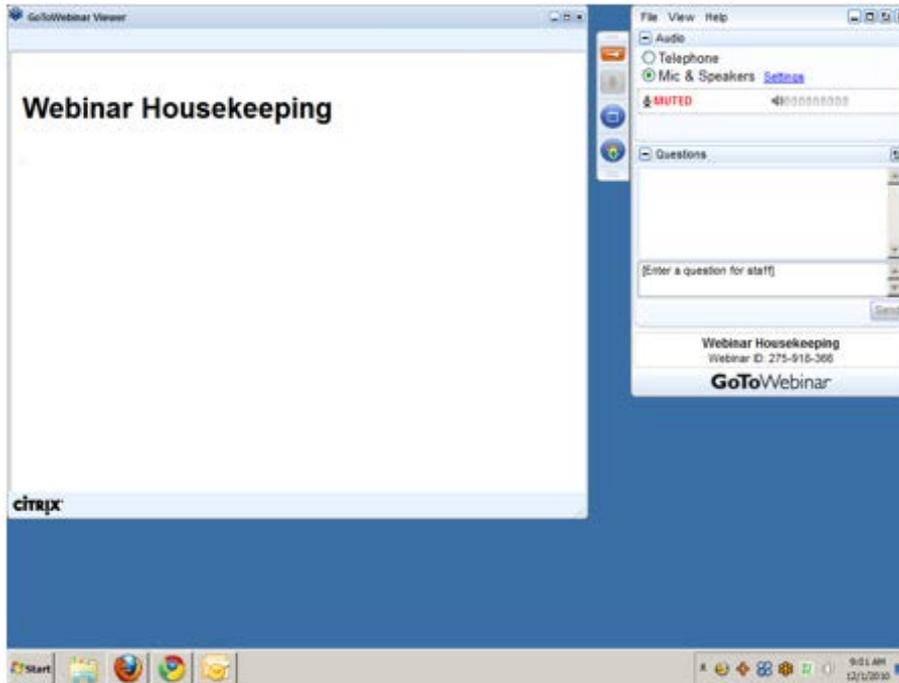
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2021 Shareholder Training

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March 4, 2021



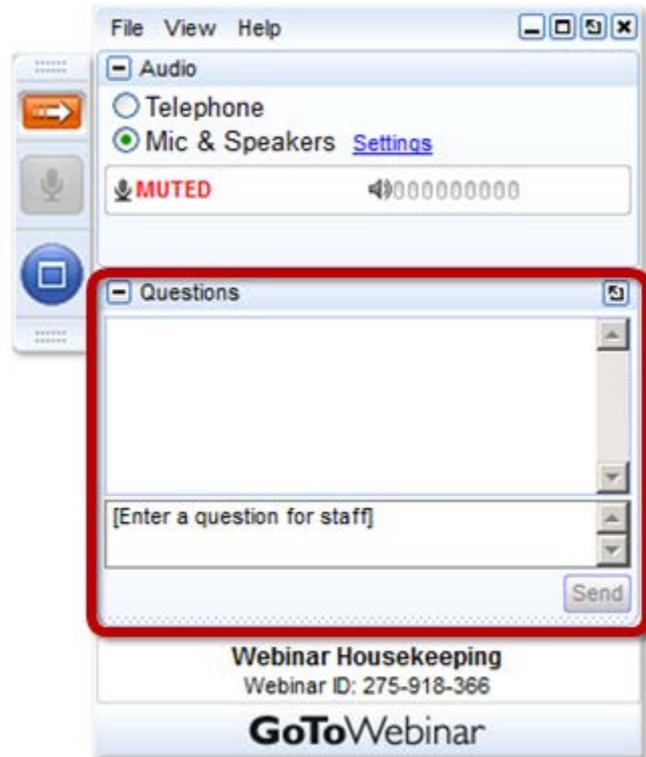


To the left is the GoToWebinar viewer through which you see the presentation.

To the right is the control panel where you can raise your hand, ask questions, and select audio mode.

**Note:**

The attendee control panel will collapse automatically when not in use by an attendee. To keep it open, click the “View” menu and uncheck “Auto-hide Control Panel.”



Please submit your text questions and comments using the questions panel.

- Overview
- What is the AHP General Fund?
- The Value of FHLBank Atlanta's AHP General Fund
- What's New for 2021?
- How to Apply
- Application Threshold and Scoring Criteria
- The Role of Underwriting
- Shareholder Responsibilities
- Risk Management
- Helpful Resources
- Questions and Answers

# What is the AHP General Fund?



## Equity-like Funding for Rental or Ownership Development

- Each year we commit 10 percent of our annual net income to fund affordable housing initiatives
- AHP General Fund\* is a flexible source of gap funding designed to help FHLBank Atlanta member financial institutions and their community partners develop affordable owner-occupied and rental housing for very low-income to moderate-income families and individuals
- AHP General Fund reduces rental project debt service
  - Permits a reduction in project rents to enhance affordability
  - Make projects feasible that otherwise may be infeasible
- AHP General Fund initiatives can be located anywhere in the country, but funds are accessed exclusively through members of FHLBank Atlanta

\*formerly known as AHP Competitive

## What Makes AHP Different than other Sources of Funds?

- Equity-like funding
  - Maximum direct subsidy of \$500,000 per project
- No interest accrues
- No expectation of repayment if the project continues to provide the housing as contemplated in the application
- Secured with a note and security instrument to ensure compliance through the affordability period
  - 15 years for rental
  - Five years for ownership projects that include a transfer of ownership
    - As of January 1, 2020, retention is not allowed for owner-occupied units that do not include transfer of ownership (e.g. rehabilitation)
- Projects are targeted to households making 80 percent of area median income (AMI) for AHP units

# AHP General Fund – Rental Transaction Types



Rental Transaction Types



Woods at Yorktown | Yorktown, VA  
**AHP Investment: \$354,000**  
**Total Development Cost: \$7,203,459**

## Reduces Project Debt Service

- Permits a reduction in project rents to enable affordability

## Use of Funds

- Acquisition
- Rehabilitation
- New construction
- Construction to Perm
- Perm-only



Williams Square Apartments | Durham, NC  
**AHP Investment: \$160,000**  
**Total Development Cost: \$2,242,861**

**AHP is available for simultaneous funding with other public or private funding sources.**

# Examples of FHLBank Atlanta AHP Projects



**Miami Rescue Mission**  
*Miami, Florida*



**Mulberry at Park Apartments**  
*Baltimore, Maryland*



**The Greens at Irvington Mews**  
*Baltimore, Maryland*



**Spartanburg Rescue Mission**  
*Spartanburg, South Carolina*

# LIHTC Project

Example: 9% LIHTC Deal

## Example: 52-unit, Senior Rental Project

	Total Sources	AHP	Shareholder First Mortgage	Other Sources*
Acquisition	\$180,000	\$157,800		\$22,200
Construction	\$5,131,407	\$310,200	\$180,000	\$4,641,207
Soft Costs	\$706,376			\$706,376
Other Costs	\$1,010,059			\$1,010,059
<b>Total Development Budget</b>	<b>\$7,027,842</b>	<b>\$468,000</b>	<b>\$180,000</b>	<b>\$6,379,842</b>

### Borrowing the Amount of AHP from the Shareholder

Total Shareholder First Mortgage	\$648,000
AHP	\$0
Shareholder Loan-to-Value (LTV)/cost	9.2%
<b>Debt Coverage Ratio</b>	<b>0.56</b>

**Making Lending Possible and Projects Feasible**

### Using AHP Funds

Total Shareholder First Mortgage	\$180,000
<b>AHP</b>	<b>\$468,000</b>
Shareholder Loan-to-Value (LTV)/cost	2.6%
<b>Debt Coverage Ratio</b>	<b>2.14</b>

\*Other sources include subordinate and soft debt and equity

## Example: 8-unit, Senior Rental Project, Housing Authority Sponsor

	Total Sources	AHP	Shareholder First Mortgage	Other Sources*
Acquisition	\$25,000		\$25,000	\$0
Construction	\$1,028,578	\$83,000	\$209,328	\$819,250
Soft Costs	\$52,030	\$17,000	\$7,950	\$44,080
Other Costs	\$70,000		62,360	\$7,640
<b>Total Development Budget</b>	<b>\$1,175,608</b>	<b>\$100,000</b>	<b>\$304,638</b>	<b>\$870,970</b>

### Borrowing the Amount of AHP from the Shareholder

Total Shareholder First Mortgage	\$404,638
AHP	\$0
Shareholder Loan-to-Value (LTV)/cost	34.4%
<b>Debt Coverage Ratio</b>	<b>1.14</b>

Improves Project Feasibility

### Using AHP Funds

Total Shareholder First Mortgage	\$304,638
<b>AHP</b>	<b>\$100,000</b>
Shareholder Loan-to-Value (LTV)/cost	25.9%
<b>Debt Coverage Ratio</b>	<b>1.51</b>

\*Other sources include subordinate and soft debt and equity

# Mixed-income Housing AHP Example

## Hallmark At Mobile – Rental, New Construction, Mobile, AL, 92 Units

	Total Sources	AHP	Shareholder First Mortgage	Other Sources*
Acquisition	\$480,000			\$480,000
Construction	\$8,304,200	\$870,000	\$1,000,000	\$6,434,200
Soft Costs	\$1,441,823			\$1,441,823
Other Costs	\$2,202,639			\$2,202,639
<b>Total Development Budget</b>	<b>\$12,428,662</b>	<b>\$870,000</b>	<b>\$1,000,000</b>	<b>\$10,558,662</b>

### Borrowing the Amount of AHP from the Shareholder

Total Shareholder First Mortgage	\$1,870,000
AHP	\$0
Shareholder Loan-to-Value (LTV)/cost	15%
<b>Debt Coverage Ratio</b>	<b>0.66</b>

**Making Lending Possible and Projects Feasible**

### Using AHP Funds

Total Shareholder First Mortgage	\$1,000,000
<b>AHP</b>	<b>\$870,000</b>
Shareholder Loan-to-Value (LTV)/cost	8.0%
<b>Debt Coverage Ratio</b>	<b>1.44</b>

\*Other sources include subordinate and soft debt and equity

# Supportive Housing AHP Example



## Supportive Housing, New Construction Sanford, NC – 29 Very Low-income Units



Construction Sources and Uses	Total Costs	AHP	Shareholder	Other Sources
Acquisition	\$100,000		\$100,000	
Construction	\$1,464,367	\$350,000	\$198	\$1,114,169
Soft Costs	\$193,717		\$74,170	\$119,547
Other Costs	\$103,000		\$103,000	
<b>Total Construction Budget</b>	<b>\$1,861,084</b>	<b>\$350,000</b>	<b>\$277,368</b>	<b>\$1,233,716</b>



## Assisting Shareholders in Achieving Loan Growth and Community Reinvestment Act (CRA) Compliance Objectives

### Business Value

- Enable shareholders' extension of credit
- Enable shareholders' lending on difficult to finance transaction
- Could enhance local positive branding of shareholder
- Value proposition for shareholders to attract new relationships with gatekeepers
- Shareholders brand products in their name
- Get the phones to ring!

### CRA Compliance Value

- Reduce shareholders' loan risk in transaction
- Enable shareholders' extension of credit

### CRA-eligible Lending Opportunity

- Shareholder-sponsored AHP application

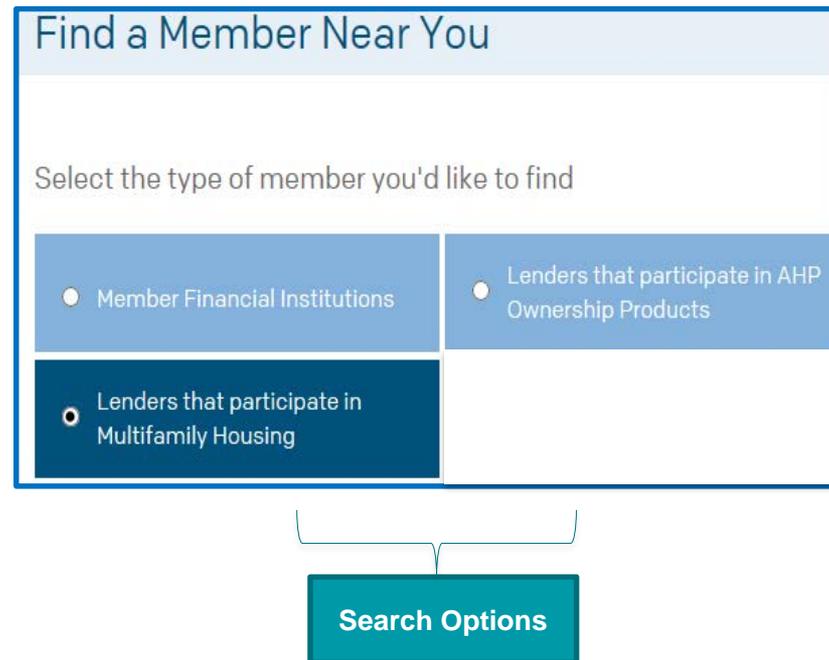
### CRA-eligible Service Opportunity

- Tenants and/or borrowers are all at or below 80 percent AMI

**Project positioned as a CRA-eligible activity**

## Connecting with Potential Customers

- “Find A Member” on the Bank’s website now includes member business contacts for **multifamily** in addition to existing homeownership



Find a Member Near You

Select the type of member you'd like to find

<input type="radio"/> Member Financial Institutions	<input type="radio"/> Lenders that participate in AHP Ownership Products
<input checked="" type="radio"/> Lenders that participate in Multifamily Housing	

Search Options

The image shows a screenshot of a web interface titled "Find a Member Near You". Below the title is a form with the instruction "Select the type of member you'd like to find". There are three radio button options arranged in a 2x2 grid. The first row contains "Member Financial Institutions" and "Lenders that participate in AHP Ownership Products". The second row contains "Lenders that participate in Multifamily Housing" and an empty space. The "Lenders that participate in Multifamily Housing" option is selected, indicated by a white dot in the radio button and a dark blue background for its container. A teal box labeled "Search Options" is positioned below the form, with a bracket pointing to the radio button options.

# The Value of FHLBank Atlanta's AHP General Fund

## Scale and Impact on Rental, Home Construction, and Rehabilitation Activities



The multiplier is calculated based on factors presented in the study "Enhancing Lives, Impacting Communities: The Federal Home Loan Bank System" prepared by the Center for Economic Forecasting and Analysis, Florida State University, 2018.

# The Value of FHLBank Atlanta's AHP General Fund

## Scale and Impact on Home Purchase Activities

**ATLANTA DISTRICT  
Home Purchase  
Activities**

Economic Basis

**\$137.70** MILLION

**TOTAL AHP SUBSIDY**  
AHP provides real estate finance equity for both rental and for-sale housing. AHP is more often referred to as a subsidy or grant and is delivered to FHLBank-member financial institutions to assist in the funding for construction, rehabilitation and purchase of affordable housing.

**23,047**

**TOTAL UNITS**  
Total Units refers to the total number of single-family and multifamily units constructed using AHP funding, where each individual dwelling unit in a multifamily building is counted separately.

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**\$162.29** MILLION

**TOTAL AHP SUBSIDY  
INFLATION-ADJUSTED**

**Inflation-Adjusted** refers to the measure of return that takes into account the time period's inflation rate. For example, \$100 in 1990 is worth \$192 in 2018. This study reports all economic impacts in inflation-adjusted dollars.

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**\$2.65** BILLION

**FIRST MORTGAGES**  
First Mortgages refers to the volume and value of first-lien position mortgages financed by lenders in a home purchase activity.

**\$3.06** BILLION

**FIRST MORTGAGES  
INFLATION-ADJUSTED**

**ATLANTA DISTRICT  
Home Purchase  
Activities**

Economic Impact

**\$7.04** BILLION

**TOTAL ECONOMIC BENEFITS**  
Total Economic Benefits measure the economic activities associated with home purchases, enhanced by AHP funding.

**2.05**

**MULTIPLIER (IMPLAN Factor)**  
Multiplier is a term used for the economic ripple effect measured by an economic impact model. In this case, the multiplier effect accounts for how each additional job or dollar of output enhanced by AHP funding impacts the home purchases of affordable housing units.

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**45,620** JOBS

**JOB CREATION**  
Job Creation includes new full-time, part-time, temporary, permanent, salary-based and fee-based jobs generated by the addition of AHP-enhanced home-purchase activities.

**\$1.72** BILLION

**LABOR INCOME**  
Labor Income refers to all forms of income that stem from employment, such as salaries and hourly wages, and profits made by developers, builders and contractors.

The multiplier is calculated based on factors presented in the study "Enhancing Lives, Impacting Communities: The Federal Home Loan Bank System" prepared by the Center for Economic Forecasting and Analysis, Florida State University, 2018.

## Rental and Ownership Development

### General Fund

- \$500,000 for rental or ownership development projects
- Competitive application – each FHLBank has its own scoring criteria
- Shareholder contacts:
  - Commercial loan officers
  - CRA officers
  - Business development officers

## Mortgage Purchase

### Homeownership Set-aside

- Down payment, closing costs, and principal reduction funding for home purchase or home rehabilitation
- Generally first come, first served
- Shareholder contacts:
  - Single-family mortgage loan officers
  - CRA officers
  - Business development officers

## Advance

### CIP/EDP

- Discounted advance products to FHLBank Atlanta members for residential or economic development projects
- Generally first come, first served
- Shareholder contacts:
  - Commercial loan officers
  - CRA officers
  - Business development officers

### Developer/Builder Driven

- New construction
- Rehabilitation
- Multifamily
- Single-family
- Acquisition
- Construction and/or permanent financing



### Mortgage Professional Driven

- Owner-occupied products:
  - First-time Homebuyer
  - Community Partners
  - Community Rebuild and Restore



### Shareholder Driven

- Enable housing development and community revitalization activities



# What's New for 2021?



## New Scoring Categories to Respond to Affordable Housing Needs

Category	Benefit
Health Care Empowerment	Provides access to essential health care for residents
Enhanced Broadband Access	Critical in today's environment <ul style="list-style-type: none"><li>• Learning from home</li><li>• Working</li></ul>
COVID-19 Response Funding	Accesses funding to help projects become feasible
Minority Depository Institution (MDI), Community Development Financial Institution (CDFI), and Low-Income Designated Credit Union (LIDCU) Funding Collaboration	Supports financial institutions that provide financial services to low- to moderate-income neighborhoods

# AHP BUILD

## New online application system

- Intuitive workflow
- Improved security for non-public information
- Integrated document management
- Improved communications





Application is submitted through AHPBuild by the sponsor

- *Log in on the home page of FHLBank Atlanta's website*



Sponsor submits application to member for review and approval

- *Supporting documents are now uploaded through AHPBuild*



FHLBank Atlanta member approves application



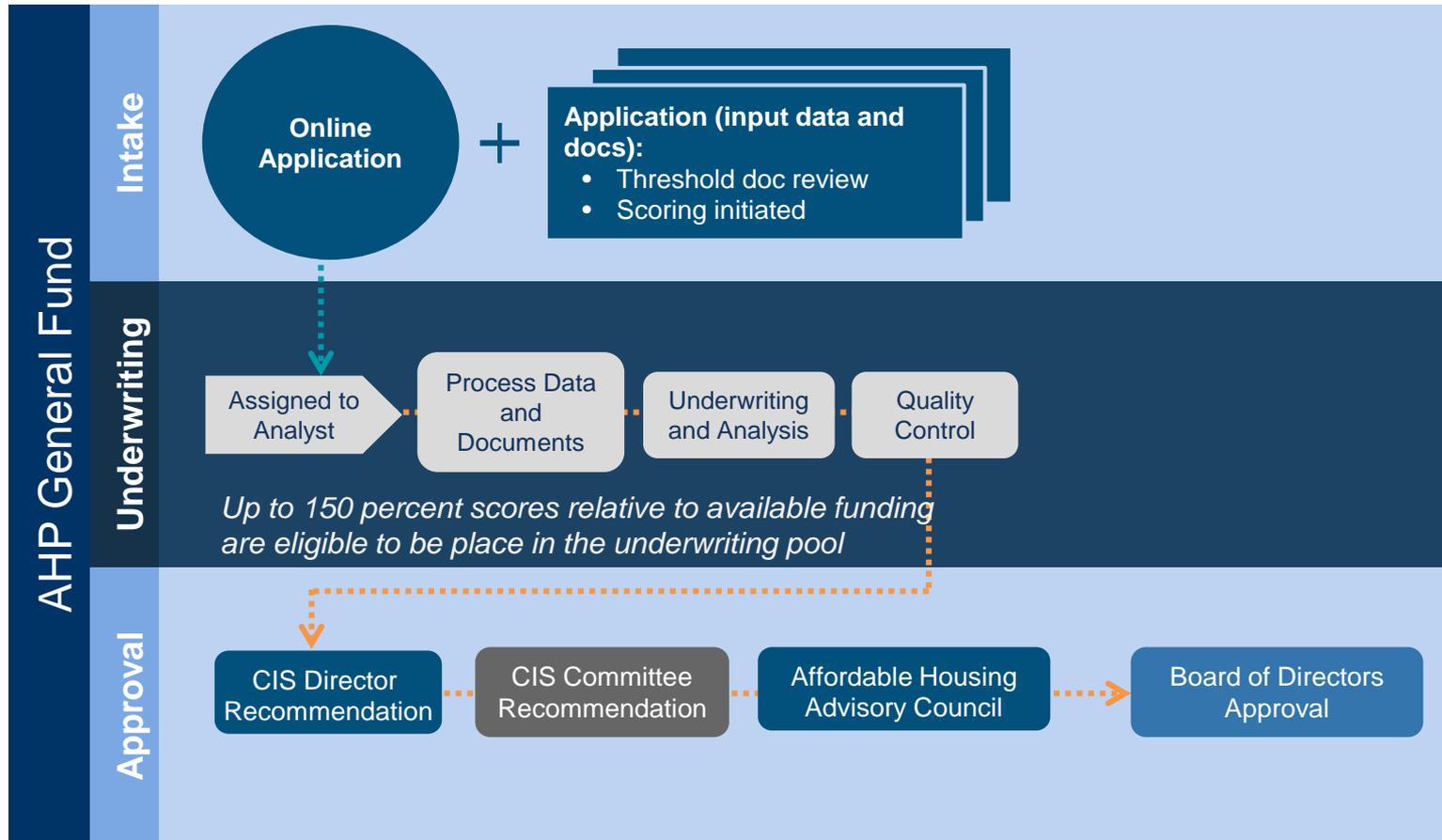
Webinars are offered to review the actual application content

## When is the AHP General Fund Offered?

### 2021 Application Schedule



## 2021 Intake, Processing, Underwriting, and Approval



# Application Criteria Threshold

- 1** Application Certification
- 2** Site Control
- 3** Permanent Sources and Uses Statement
- 4** 20 Percent of funding Committed by an Unrelated Third Party
- 5** Project Specific Thresholds
- 6** Sponsor Qualifications

# Application Criteria Scoring



# Application Criteria Scoring



Category	Points	Type
Donated or Conveyed Government-owned or Other Property	5	Variable
Nonprofit or Government Sponsor	5	Variable
Targeting to Lower-income Households	20	Variable
Underserved Communities and Populations	5	Fixed
Creating Economic Opportunity – Promotion of Empowerment	5	Variable
Community Stability, Including Affordable Housing Preservation	10	Fixed
<b>District Priorities</b>		
Member Financial Participation	5	Fixed
Project Readiness	5	Fixed
Health Care Empowerment	10	Fixed
Enhanced Broadband Access	10	Fixed
COVID-19 Response Funding	10	Fixed
MDI, CDFI, or LIDCU Funding Collaboration	10	Fixed
<b>Total</b>	<b>100</b>	

## Donated or Conveyed Government-owned or other Property

- Federal government property sold for a project
- Property donated by any other party at a nominal price
- At least 25 percent of the units, land, or land lots
- Donation must be contemporaneous with the AHP project
- The subject property must be donated by an entity not related to the sponsor, project owner, or member, prior to the disbursement of AHP funds
- A donation from government or quasi-government sellers or lessors to a related party is allowed

### Available Points

-----  
**5 Points / Variable**

## Nonprofit or Government Sponsor

- Rental Projects
  - Nonprofit sponsor has an ownership interest = 1 point
  - Nonprofit sponsor has a controlling interest = 5 points
- Ownership Projects
  - Marketing and outreach = 1 point
  - Property acquisition = 1 point
  - Pre-development = 1 point
  - Construction/rehabilitation = 1 point
  - Qualifying borrowers for home mortgages, including AHP = 1 point
  - Providing or arranging permanent mortgage financing = 1 point

### Available Points

-----  
**5 Points / Variable**

## Household Income Targeting

- Rental compared to rental, ownership compared to ownership
  - Income categories:
    - Moderate: >65-80 percent of AMI
    - Low: >50-65 percent of AMI
    - Very Low: 50 percent or less of AMI
- See the Implementation Plan for income guidelines
- Rental projects that reserve at least 60 percent of units for households with 50 percent or less of AMI receive the maximum 20 points
  - At least 20 percent of the units in a rental project must be for very low-income residents (50 percent or less of AMI)



### Available Points

-----  
**20 Points / Variable**

Income  
Targeting



Points

# Application Criteria Scoring

## FHLBank Atlanta - AHP Income Limits Calculator

**Enter Calculation Criteria** 📄

HUD Year \*

State \*

County \*

MSA \*

Household Size \*

Household Income \*  
  
This data is required.

**CALCULATE AMI %**



### Expanding your Eligible Customer Base

- AHP Income Limit Methodology and Calculator
- Selects the greatest of four calculation methodologies
- Point-and-click calculator automatically provides the highest income limit

### FHLBank Atlanta Income Calculator Tool

<https://cis.fhlbatl.com/regsponsor/incomecalculation>

#### AHP Income Limits ?

AHP Income Limits <span style="color: orange;">?</span>	1 Person Household	2 Person Household	3 Person Household	4 Person Household	5 Person Household	6 Person Household	7 Person Household	8+ Person Household
80%	\$70,560.00	\$80,640.00	\$90,720.00	\$100,800.00	\$108,880.00	\$116,960.00	\$125,040.00	\$133,120.00
65%	\$57,330.00	\$65,520.00	\$73,710.00	\$81,900.00	\$88,465.00	\$95,030.00	\$101,595.00	\$108,160.00
50%	\$44,100.00	\$50,400.00	\$56,700.00	\$63,000.00	\$68,050.00	\$73,100.00	\$78,150.00	\$83,200.00

## Underserved Communities and Populations

### Housing for Homeless Households

- 20 percent of the units are reserved for minimum of six month occupancy throughout the AHP retention period
- HUD definition of “homeless households”
- The creation of permanent owner-occupied housing reserving at least 20 percent of the total project units for homeless households

### Available Points

-----  
**5 Points / Fixed**



**Example:** Moore Place  
**Location:** Charlotte, NC  
**AHP Subsidy:** \$1,000,000  
**# of Units/Type:** 85 Supportive Housing Units

## Creating Economic Opportunity – Promotion of Empowerment

Empowerment Activities	Rental	Ownership Development / Down-payment Assistance	Owner-occupied Rehabilitation
Homeownership Education Program • Pre-closing Counseling		5 Points	
Employment Readiness Program	2.5 Points		
Onsite Daycare (Child or Adult)	2.5 Points		
Training and Education Program	2.5 Points		2.5 Points
Owner/Resident Involvement Program	2.5 Points		2.5 Points
Counseling Program (Homeowners and Tenants)	2.5 Points		2.5 Points

**Available Points**

-----

**5 Points / Fixed**

## Community Stability, Including Affordable Housing Preservation

### Vacant or Abandoned

- The redevelopment of vacant residential where at least 60 percent of the units are vacant at the time of acquisition by the property owner, and all vacant or abandoned units are being rehabilitated;
- In the case of existing non-residential properties, 100 percent of the building is vacant or abandoned

### Neighborhood Stabilization

- A project that is located in a neighborhood that is part of a neighborhood stabilization plan approved by a unit of federal, state, or local government and is a target area for the receipt of federal, state or local government funding or support services in the stabilization of the neighborhood

### Properties Located in a High Income Area

- A project that is located in a census tract that is less than or equal to 10 percent below the poverty line, based on the most recent HUD data available at the time of application

Available Points

-----  
**10 Points / Fixed**

## Member Financial Participation

- Minimum five percent of total development costs
- Permanent or construction financing
- Letter of Credit
- Debt or equity
- The member's financing must clearly flow through to the project to demonstrate the member's direct participation in the project
- Credit must be extended and closed simultaneous with or prior to the project's other real estate financing (including AHP)

### Available Points

-----  
**5 Points / Fixed**

## Project Readiness

### Rental

- Non-LIHTC: 100 percent of non-FHLBank AHP permanent sources committed
- Nine percent LIHTC: tax credits awarded by state allocating agency
- Four percent LIHTC: 100 percent of non-FHLBank AHP permanent sources committed

### Ownership

#### (New Construction/Rehabilitation)

- 75 percent of the units presold (contract executed with funds in escrow, mortgage qualified, and homebuyer income qualified for AHP)

#### Owner-Occupied Rehabilitation

- 75 percent of the units have been identified, rehab specifications and cost breakdown have been determined for identified units and homeowners are income eligible for AHP

#### Down-payment Assistance

- 100 percent of the homebuyers identified and qualified (homebuyer contribution in escrow (IDA acceptable) and homebuyer income qualified for AHP)

Available Points

-----  
*5 Points / Fixed*

## Health Care Empowerment



**Available Points**

-----

**10 Points / Fixed**



- Project will provide health care delivery, referrals, or services throughout the entire AHP retention period, such as those listed below.
- May be on-site, mobile services, or offsite.
- Structured agreement required
  - Examples:
    - Primary medical care including vaccinations and screening programs
    - Mental health counseling
    - Alcohol or substance abuse counseling
    - Other (describe the service)

## Enhanced Broadband Access



Provide at least two of the following:

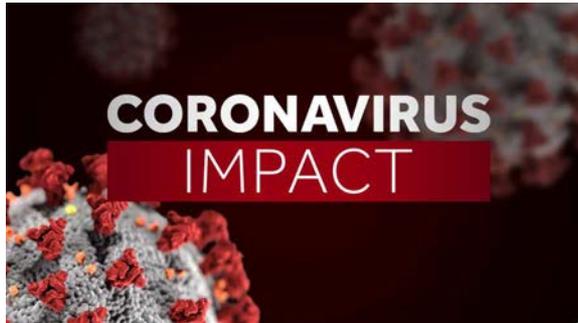
- Projects where 100 percent of the units have access to four times the minimum broadband download speed according to the Federal Communications Commission (FCC) definition of advanced telecommunications capability
- Computers in a quantity equal to the number of units in the project times 10 percent
- Free or reduced cost broadband access devices, such as computer equipment, tablets, or hotspot devices
- Long-term credit toward the cost of broadband services to the residents
- Participation in a federal, state, or local broadband access program (e.g., Connect America Fund, USDA Rural Broadband Initiative)
- Must be made available to all residents

### Available Points

-----  
**10 Points / Fixed**



## COVID-19 Response Funding



**Available Points**

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**10 Points / Fixed**

- Funding from the local fund (i.e. where the AHP project is located) established and capitalized in response to COVID-19
  - The amount of capital funding for the project must be at least five percent of total development budget
  - Total operational funding or rental assistance amount must be equivalent to at least five percent of the total development budget

## MDI, CDFI, LIDCU Funding Collaboration



- The financing must achieve the objective of encouraging funding collaborations between an MDI, CDFI, or LIDCU and another member financial institution.
- MDI, CDFI, or LIDCU shareholders\*
  - Must be shareholders as of the application deadline date
  - Must be designated as an MDI, CDFI, or LIDCU as of the application deadline date
  - Must provide the funding to the project
  - Must collaborate with another MDI, CDFI, or LIDCU to receive the points

\*A list of eligible MDIs, CDFIs, and LIDCUs is available in the Resource Center on the Bank's website

# The Role of Underwriting





## Project Communications

- FHLBank Atlanta only discusses projects with primary project sponsor and/or member and will not discuss projects with consultant without member and/or project sponsor present

## Budget Guidelines Examples



- Acquisition Cost to be supported by appraisal
- Reasonable hard costs
- Capitalized reserves
  - Maximum nine months hard debt service plus nine months operating expenses net of replacement reserves
  - Maximum 12 months operating expenses plus 12 months of hard debt service for projects with 100 percent of units reserved for supportive housing households
  - No cash out to related party seller
- Maximum soft costs (varies by project type)



## Developer Fee Guidelines

- 15 percent maximum of total development costs, net of developer fee, capitalized reserves, and acquisition costs for development projects with transfer of ownership
  - Developer fee is not allowed for rehabilitation and/or new construction projects with no transfer of ownership
  - Developer fee includes fees paid to consultants for services normally provided by a developer
  - FHLBank Atlanta may defer to state HFA guidelines if using state-administered funding
- Five percent consultant fee maximum of total development costs, net of consultant fee, capitalized reserves, and acquisition costs for rental projects with no transfer in ownership where the project is 100 percent owned by a nonprofit sponsor
- Developer fee cannot increase if construction financing has closed and there is not a proportional increase in hard cost



## Deferred Developer Fee Guidelines

- If financing has closed on or before application with deferred developer fee or other subordinate funding from a related party (“bridge” funds, e.g., owner equity) as a source of funding:
  - Then, up to 50 percent of the AHP award can be used to reduce deferred developer fee or other subordinate funding from a related party; and
  - At least 25 percent of the total developer fee remains deferred



## Pro Forma Guideline Examples

- Debt coverage ratio: 1.00 minimum, 1.50 maximum at application
- 1.75 maximum, after application, if new or additional sources of equity are secured that results in a reduction in hard debt service
- Alternate need for subsidy test may be used for projects with no hard debt or DCR outside these parameters
- Net cash flow: Maximum 15 percent of effective gross income
- Management fees: Maximum nine percent of gross rent
- Replacement reserves: Up to \$450 per unit per year
- Annual operating expense: Maximum 80 percent of effective gross income (EGI) in year one (90 percent of EGI in year one for projects receiving maximum targeting points)



## Market Feasibility Guideline Example

- Defer to market feasibility approved by the state if using state-administered funding



## Development Timing

- **October 2021:** Award Approvals
- **6 Months** (April 2022): Zoning
- **12 Months** (October 2022): All funding sources must be committed
- **18 Months** (April 2023): AHP funded
- **39 Months** (April 2025): Report complete

Sponsors have 39 months to take down AHP funds for ownership projects that are funded at homebuyer closing.

## Requirements to Report Complete

- Member must draw down all AHP General Fund subsidies
- Construction must be complete
- All requested documents must be received and approved by the Bank with the exception of documents related to residency (sampling units for income and rents, and validation of other scoring related categories such as veterans and homeless is deferred to Initial Monitoring Review (IMR))
- Ownership: all owner-occupied units must be sold and occupied by eligible households
- Rental: projects must have a certificate of occupancy and be at least 75 percent occupied



## Post Development Compliance

- Affordability/Retention Period
  - Five-year retention – ownership projects with a transfer of ownership
    - Retention is not allowed for owner-occupied units that do not include transfer of ownership
  - 15-year retention – rental projects
- Initial Monitoring Review
  - Within six months of reporting complete
- Long Term Monitoring (LTM)
  - Rental (excluding LIHTC) only
  - Reviews every two to six years
  - Annual certifications

# Shareholder Responsibilities

Application Submission	Application Intake, Processing, and Underwriting	Award Notification
<ul style="list-style-type: none"><li>• Set expectations with the applicant as to when they need to submit the application to you for review</li><li>• Review, approve, and sign applications</li><li>• Community Support compliant</li><li>• Sign AHP Application Certification</li><li>• Submit by application deadline <b>June 4th</b>, technical assistance will only be available until 5:00 p.m. ET</li></ul>	<ul style="list-style-type: none"><li>• Respond to questions from the Bank's staff</li></ul>	<ul style="list-style-type: none"><li>• Sign AHP Agreement</li><li>• Comply with all requirements set forth in the AHP Agreement and all applicable laws</li></ul>

# Shareholder Responsibilities

Funding	Post Funding and Monitoring	Risk and Liability
<ul style="list-style-type: none"><li>• Review and approve sponsor documents and requests</li><li>• Draw down AHP funds within 18 months of award<ul style="list-style-type: none"><li>• Draw down AHP funds within 39 months for ownership projects taking down AHP funds at homebuyer closing</li></ul></li><li>• Disbursement of funds to the sponsor within 30 days of deposit into shareholder's demand deposit account</li></ul>	<ul style="list-style-type: none"><li>• Review and approve initial monitoring review</li><li>• Understand and comply with long-term monitoring requirements</li></ul>	<ul style="list-style-type: none"><li>• Shareholder obligation to exercise reasonable collection efforts if the project is non-compliant and cannot be cured during the loan term</li></ul>



## Project Completion

- Sponsors will need to maintain and provide:
  - Resident income and rent information for review by the Bank
  
- **Promptly notify the Bank after discovery or notice of any material change, either positive or negative, that would affect the project**

## Scoring Commitments

- Owner and Sponsor shall, at all times from project completion through the end of the AHP retention period, continue to meet all scoring and underwriting commitments in the application, subject to modification as may be approved by the Bank

## Conflicts Between AHP and Other Funders

- It is the project sponsor's responsibility to ensure that compliance with all AHP requirements can be met and are not in conflict with other financing and/or service providers' project or program requirements.

## Modifications

- Per AHP regulation §1291.29
  - (a) Modification procedure. If, prior to or after final disbursement of funds to a project from all funding sources, in order to remedy noncompliance or receive additional subsidy, there is or will be a change in the project that would change the score that the project application received in the AHP funding round in which it was originally scored and approved, had the changed facts been operative at that time, a Bank shall approve in writing a request for a modification to the terms of the approved application, provided that:
    - (1) The Bank first requests that the project sponsor or owner make a reasonable effort to cure any noncompliance within a reasonable period of time, and the noncompliance could not be cured within a reasonable period of time;
    - (2) The project, incorporating any such changes, would meet the eligibility requirements of this part;
    - (3) The application, as reflective of such changes, continues to score high enough to have been approved in the AHP funding round in which the application was originally scored and approved by the Bank, which is as high as the lowest ranking alternate approved for funding by the Bank if the Bank has a written policy to approve alternates for funding; and
    - (4) There is good cause for the modification, which may not be solely remediation of noncompliance, and the analysis and justification for the modification, including why a cure of noncompliance was not successful or attempted, are documented by the Bank in writing.

Any person who knowingly makes a false statement or misrepresentation to the Federal Home Loan Bank is subject to penalties that may include disqualification of application, sponsor suspension, fines, imprisonment, or both, under the provision of Title 18, United States Code, Sec. 1014, including, but not limited to:

- Members
  - Loan Officers
  - Processors (Submitters)
  - Underwriters (Approvers/Program Managers)
  - Closers
- Closing Agents
- Contractors/Inspectors
- Real Estate Agents



Examples of false statements include, but are not limited to:

- Omitting or not fully disclosing information on the application certification. Certification must remain true throughout entire underwriting period
- Not having completed work that was represented to the Bank as complete
- Not disclosing if under investigation by a law enforcement agency or applicable regulator
- Sources and uses submitted are not consistent throughout funders
- You have the duty to disclose any material changes to the project to the Bank in a timely manner

# Helpful Resources

Program Guidelines	Links
FHLBank Atlanta Website	<a href="http://corp.fhlbatl.com/">http://corp.fhlbatl.com/</a>
Application Resources	
Project Sponsor Registration Instructions	<a href="http://corp.fhlbatl.com/files/documents/ahp-sponsor-registration.pdf">http://corp.fhlbatl.com/files/documents/ahp-sponsor-registration.pdf</a>
Implementation Plan	<a href="http://corp.fhlbatl.com/files/documents/ahp-implementation-plan.pdf">http://corp.fhlbatl.com/files/documents/ahp-implementation-plan.pdf</a>
Income Documentation Requirements	<a href="http://corp.fhlbatl.com/files/documents/ahp-income-documentation-requirement.pdf">http://corp.fhlbatl.com/files/documents/ahp-income-documentation-requirement.pdf</a>
Retention Agreement Rider and Instructions	<a href="http://corp.fhlbatl.com/files/documents/ahp-retention.pdf">http://corp.fhlbatl.com/files/documents/ahp-retention.pdf</a>
Income Limits Calculator	<a href="https://cis.fhlbatl.com/ahp/utilities.portal">https://cis.fhlbatl.com/ahp/utilities.portal</a>
Member Locator Registration Form	<a href="http://corp.fhlbatl.com/files/documents/ahp-competitive-zip-code-locator..xlsx">http://corp.fhlbatl.com/files/documents/ahp-competitive-zip-code-locator..xlsx</a>



MY PROJECTS	
# Projects	1
# Units	33
\$ Awarded	\$ 500,000.00
\$ Remaining	\$ 0.00
\$ Total Development	\$ 16,892,075.00

MY TASKS	
Applications	0
Project Funding	2
Project Post-Funding	0
Watch List	0

### APPLY FOR FUNDING

- RENTAL**  
For projects with units for occupancy by households that are tenants, not owner-occupants
- OWNERSHIP**  
For projects with owner-occupied units in a single-family or multifamily building
- LEASE PURCHASE**  
For projects with units that are initially leased then sold to homebuyers

[CONTINUE APPLICATION](#) [CHECK STATUS](#)

### BULLETIN BOARD

No Data Found



FHLBank Atlanta (Bank) is dedicated to promoting diversity and inclusion of minorities, women, individuals with disabilities, and minority, women, and disabled owned businesses, at all levels, in management and employment, in all business and activities. We recognize that diversity and inclusion are business imperatives that help us achieve financial and operational excellence and we support and encourage the provision of opportunities to a diverse network of contractors, vendors, professionals and other parties through the Bank's AHP programs, products, and services.

Do You Have Any Questions?

**We are happy to help!**



# Contact Information



## **Joel Brockmann**

Production and Portfolio Manager

404.888.8156

[jbrockmann@fhlbatl.com](mailto:jbrockmann@fhlbatl.com)

## **James Monaghan**

Production and Portfolio Analyst

404.888.8429

[jmonaghan@fhlbatl.com](mailto:jmonaghan@fhlbatl.com)

## **Shikha Jerath**

Production and Portfolio Analyst

404.888.8367

[sjerath@fhlbatl.com](mailto:sjerath@fhlbatl.com)

800.536.9650, Option 3

## **Richard Mauney**

Production and Portfolio Analyst

404.888.5642

[rmauney@fhlbatl.com](mailto:rmauney@fhlbatl.com)

## **Rasheed Bracey**

Production and Portfolio Analyst

404.888.8366

[arattray@fhlbatl.com](mailto:arattray@fhlbatl.com)

## **Marilyn Whitley-Carter**

Coordinator - CIS Post Funding

404.888.8318

[mwhitley-carter@fhlbatl.com](mailto:mwhitley-carter@fhlbatl.com)

## **ShaDonte Butler**

CIS Relationship Manager

404.888.6416

[sbutler@fhlbatl.com](mailto:sbutler@fhlbatl.com)

**Thank You**