

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.

## FARMLAND MORTGAGE LOANS

Farmland mortgage loans can now be reported as eligible collateral and provide another avenue to increase your lendable collateral value (LCV). The Bank has removed the property value restriction on physical structures for farmland collateral, which expands the types of farmland properties that may be eligible (e.g., poultry houses). Recently revised discounts for farmland collateral also provide the potential for higher LCV.

Other eligibility requirements are most similar to existing commercial real estate collateral and include:



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First lien, 85 percent maximum LTV, fully disbursed, and non-revolving loans

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Agriculture must be the principal use of the land. Property value should exclude any agricultural products or personal property

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All other loan collateral eligibility guidelines apply

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Farmland collateral will receive 50 percent of the LCV given to standard commercial loans

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

## NEW! LOANS WITH POTENTIAL ENVIRONMENTAL ISSUES

The Bank recently expanded eligibility of loan collateral secured by properties with a gas station, convenience store, auto repair facility, dry cleaners, underground storage tanks, or similar property types that have a clean or resolved Phase 1 environmental report.

- Eligibility expansion applies to all loan portfolios
- Properties must have a clean or resolved Phase 1 environmental report conducted on or before the effective date of reporting
- Properties must meet all other loan eligibility requirements to be eligible
- Collateral will receive market values and discounts in accordance with the existing asset categories for all portfolios

Shareholders in delivery for credit reasons are not eligible to report these loans as collateral.

## MUNICIPAL SECURITIES

Municipal securities are a great way to add LCV for your institution's borrowing needs and offer many benefits, including:

- 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 single-A or higher, have proceeds that were used for real estate purposes, and meet other requirements\*.

## REPORT ADDITIONAL DATA

Grow the borrowing value of your existing commercial real estate and multifamily mortgage collateral by reporting additional information on your loans to the Bank. The Bank offers three levels of reporting, and the more information you provide, 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

The Bank offers resources to help you make this transition and expand your borrowing power:



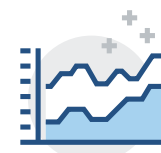
### One-on-one training

Learn valuable tips on collecting data needed to increase your reporting level



### Tools for maintaining your data

Gain access to tools to help you track and update loan-to-value ratios for your portfolios



### Estimated impact from additional data

Receive an estimate of your increased collateral value before you submit your first collateral report with additional data

## 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 are not eligible collateral for housing associate members. Please refer to the Bank's Member Products and Services Guide for a complete description of securities collateral eligibility.