



Explore FHLBank Atlanta's Community Investment Advances

Creative Ways to Access Liquidity

September 13, 2023



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- Overview of Community Investment Services Products
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- Community Investment Program (CIP) and Economic Development Program (EDP) Details
- CIP and EDP Advance Types, Pricing, Funding, and Prepayment
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- CIP Advance Community Impact
- EDP Advance Eligible Uses
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Overview of Community Investment Services Products

Rental and Ownership Development

General Fund

- Up to \$750,000 for rental or ownership development projects
- Competitive application
 - Each FHLBank has its own scoring criteria
- Member contacts:
 - Commercial loan officers
 - Community Reinvestment Act (CRA) officers
 - Business development officers

Home Purchase

Homeownership Set-aside

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

Advances

CIP/EDP

- No funding limit – *New in 2023*
- Discounted advance products for residential or economic development projects
- Generally first come, first served
- Member 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



Member Driven

- Enable housing development and community revitalization activities



Advantages of Advances for Community Development



Can help your institution meet the housing and economic development needs of low- to moderate-income communities



Attract new business, achieve affordable lending goals, and reduce funding costs



Pricing is typically less than standard advance rates, enabling you to offer your customers lower interest rates on loans while preserving net interest margins



Provides opportunities to meet the biennial community support regulatory requirements



CIP and EDP Funding, 1990 – 2023 (As of June 2023)



\$7.2B CIP advances since 1990



\$1.1B EDP advances since 1990



\$1.8B in CIP and EDP Advances Outstanding as of 6/30/2023

CIP and EDP Details

Product	Description	Member Benefits	Interest Rate	Key Requirements
CIP	<ul style="list-style-type: none"> • Advances to members to assist low- and moderate-income families that seek affordable housing opportunities • Must be used for: <ul style="list-style-type: none"> – Purchase, construction, and rehabilitation; or – Refinancing of housing-related projects or activities that benefit families with an income at or below 115 percent of area median income 	<ul style="list-style-type: none"> • Reduces funding costs • Supports a broad range of housing projects • Stimulates local housing sector 	<ul style="list-style-type: none"> • Discounted interest rate is based on the Bank’s cost of funds, plus the administrative costs of the advance 	<ul style="list-style-type: none"> • Advances subject to the Bank’s credit and collateral requirements • Prepayment fees may apply
EDP	<ul style="list-style-type: none"> • Advances to members to assist with community economic development activities such as: <ul style="list-style-type: none"> – Business start-ups, – Projects that create or maintain jobs – Redevelopment of federal disaster areas – Infrastructure improvement – Other economic development activities 	<ul style="list-style-type: none"> • Reduces funding costs • Supports small business and microenterprise lending • Stimulates local commercial, industrial, and manufacturing sectors 	<ul style="list-style-type: none"> • Discounted interest rate is based on the Bank’s cost of funds, plus the administrative costs of the advance 	<ul style="list-style-type: none"> • Advances subject to the Bank’s credit and collateral requirements • Prepayment fees may apply

CIP and EDP Advances are Available at Interest Rates Generally Less than Standard Advance Rates

- Variety of structures and maturities

Benefits Include

- Attract and retain lending business
- Achieve affordable lending goals, including potential CRA credit
- Reduce funding costs
- Build your institution's profile and reputation in your local markets
- Access funding year-round – applications can be submitted at any time

Funding

- Funding generally is available two Bank business days after the pricing date for CIP/EDP advances for terms 12 months or greater and notional amounts of \$1 million or more
- CIP/EDP funding can be used in conjunction with the Bank's AHP offering

Prepayment

- For CIP/EDP advances with terms of 12 months or greater and notional amounts of \$1 million or more, the prepayment fee generally is equal to the Bank's cost of unwinding the transaction

Advance Types Available

- CIP and EDP advances can be structured as Fixed Rate Credit (FRC) or Principal Reducing Credit (PRC) advances and are generally available for maturities of 12 months to 20 years

Pricing

- CIP and EDP advance rates are based on the Bank's cost of funds plus an administrative fee
- Please call the Funding Desk at 404.888.8011 for pricing information

Advance Types, Pricing, Funding, and Prepayment



Term	Fixed Rate Advance*	CIP/EDP Advance Pricing*
1 year	5.56	5.46
2 year	5.14	5.04
3 year	4.81	4.71
4 year	4.66	4.56
5 year	4.49	4.39
10 year	4.67	4.57
20 year	5.19	5.09

*Pricing is variable and for example only. Interested parties should contact the funding desk for current pricing estimates.

Supporting Documentation to Demonstrate Project Eligibility

- Owner-occupied housing
 - Individual owner-occupied housing units, each of which is purchased or owned by a family with an income at or below the targeted income level
 - Projects involving multiple units of owner-occupied housing in which at least 51 percent of the units are owned or are intended to be purchased by families with incomes at or below the targeted income level
 - Household income of homeowners must be at or below the area median income (AMI), adjusted for a four-person household as published annually in the HUD income guidelines
 - Up to 115 percent of AMI in a rural area
 - Up to 100 percent of AMI in an urban area

Supporting Documentation to Demonstrate Project Eligibility

- Rental housing
 - At least 51 percent of the units in the project are occupied by, or the rents are affordable to, families with incomes at or below the targeted income level
 - Household income of homeowners must be at or below AMI, adjusted for a four-person household as published annually in the HUD income guidelines
 - Up to 115 percent of AMI in a rural area
 - Up to 100 percent of AMI in an urban area

Supporting Documentation to Demonstrate Project Eligibility

- Manufactured housing parks
 - At least 51 percent of the units in the project are occupied by, or the rents are affordable to, families with incomes at or below the targeted income level; or
 - The project is located in a neighborhood with a median income at or below the targeted income level
 - Household income of homeowners must be at or below AMI, adjusted for a four-person household as published annually in the HUD income guidelines
 - Up to 115 percent of AMI in a rural area
 - Up to 100 percent of AMI in an urban area

Example: CIP Advance Community Impact

Member: Suncoast Credit Union (Tampa, FL)

Providing single-family mortgages to eligible borrowers



CIP advance

- \$100 million for five years

Value to member

- Reduce interest-rate risk
- Reduce funding costs passed on to the borrower
- Attract new members to generate additional lending opportunities
- Open doors to new business opportunities with real estate professionals

“Suncoast Credit Union is honored to have partnered with the Federal Home Loan Bank of Atlanta to receive a \$100 million CIP advance to help us fulfill our commitment of making loans and serving low to modest income members throughout the State of Florida. There are thousands of families in our community who are at or below the area median income that will benefit from this investment. We are excited to help make a positive impact in their lives with the opportunities that these funds will help to provide.”

Sheila Cline
Vice President of Finance
Suncoast Credit Union

Demonstrate the Project's Eligibility by Providing Supporting Documentation for One Category of Beneficiary

Geographic Beneficiary:

- Project located in:
 - A census tract with median income at or below 100 percent AMI in urban areas or 115 percent AMI in rural areas
 - Native American area
 - Brownfield Tax Credit area
 - Empowerment zones
 - Enterprise and Champion communities
 - Federally declared disaster areas
 - Areas affected by a military base closing
 - Areas designated under the Community Adjustment and Investment Program may automatically qualify

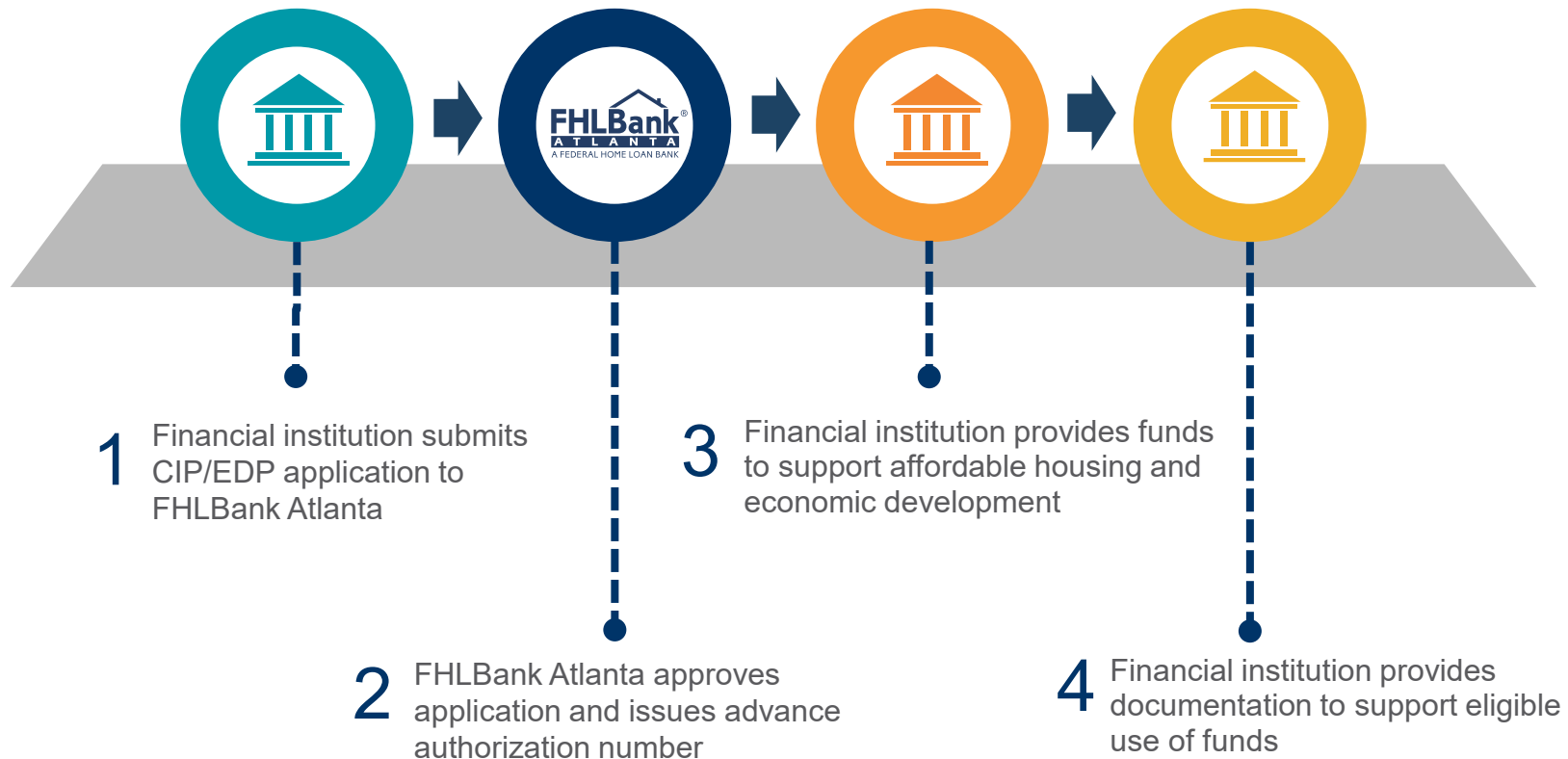
Activity Beneficiary:

- Project qualifies as a small business, based on United States Small Business Administration guidelines
- Business qualifies by either annual receipts or number of employees

Individual Beneficiary:

- At least 51 percent of full-time employee salaries or income of households served by the project are at or below 100 percent AMI in urban areas, or 115 percent AMI in rural areas (adjusted for a four-person household as published annually by HUD income guidelines)

Applying for an Advance: Easily Accessible Funding



Application Process

- Easy to submit applications
 - Email completed application documents to traders@fhlbatl.com
 - Credit product application
 - CIP or EDP authorization application
- No commitment to borrow
- No restrictions on incremental disbursements
- No obligation to match fund initiative
- Email report submission after funding to confirm eligibility
 - CIP single-family homeownership loans – Schedule 1(SF)
 - CIP rental housing loans – Schedule 1(R)
 - EDP loans – Schedule 1(EDP)

Helpful Resources



Program Guidelines	Links
Member Products and Services Guide	https://corp.fhlbatl.com/files/documents/member-products-and-services-guide.pdf

Application/Funding Resources	Links
CIP Authorization Application	http://corp.fhlbatl.com/files/documents/cip-authorization-application.pdf
EDP Authorization Application	http://corp.fhlbatl.com/files/documents/edp-auth-app.pdf
CIP Single Family Homeownership Loans	http://corp.fhlbatl.com/files/documents/cip-singlefamily-form.xlsx
CIP Rental Housing Loans	http://corp.fhlbatl.com/files/documents/cip-rentalhousing-form.xlsx
EDP Loans – Schedule 1	http://corp.fhlbatl.com/files/documents/edp-loan-form.xlsx

We are happy to help!

Contact Us for More Information



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Thank You