



2024 AHP
Homeownership Set-aside Program
Loan Officers Training

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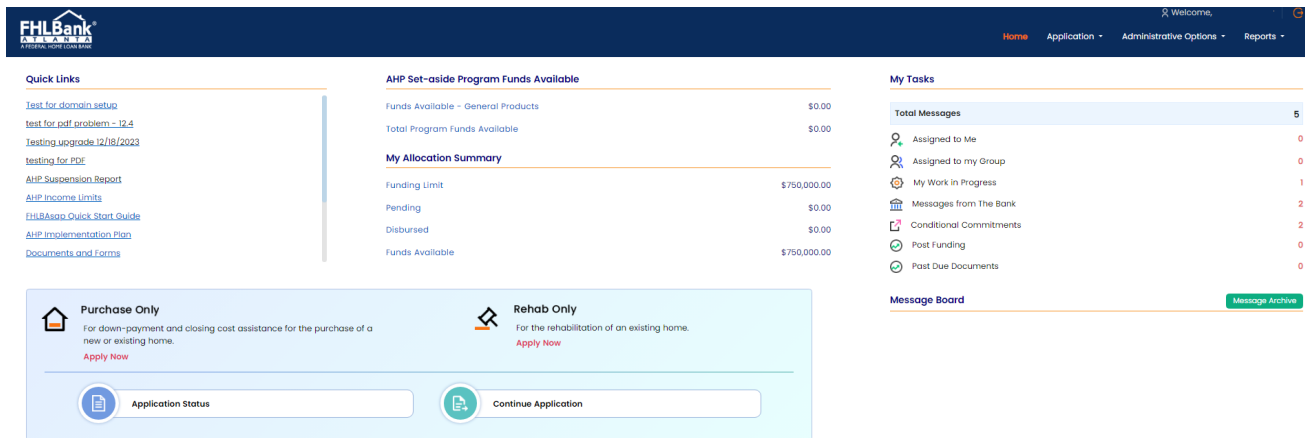


- What's New for 2024?
- AHP Homeownership Set-aside Program Overview
- Program Details
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- How Can I Be Successful?
- Compliance/Risk Management
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- Questions and Answers

When submitting applications for our AHP Homeownership Set-aside Program, our online platform has a new look and feel!

We've made functionality changes to:

- Make the systems more user friendly
- Enhance the user experience
- Maintain the performance members know and trust



The screenshot displays the FHLBank Atlanta online platform interface. At the top, there is a navigation bar with the FHLBank Atlanta logo on the left and a user profile on the right showing 'Welcome, [User Name]' and a search icon. The navigation menu includes 'Home', 'Application', 'Administrative Options', and 'Reports'. Below the navigation bar, the interface is divided into several sections:

- Quick Links:** A list of links for testing and documentation, including 'Test for domain setup', 'Test for pdf problem - 12.4', 'Testing upgrade 12/18/2023', 'Testing for PDF', 'AHP Suspension Report', 'AHP Income Limits', 'FHLBAsap Quick Start Guide', 'AHP Implementation Plan', and 'Documents and Forms'.
- AHP Set-aside Program Funds Available:** A table showing funding limits and available funds.

AHP Set-aside Program Funds Available	
Funds Available - General Products	\$0.00
Total Program Funds Available	\$0.00
My Allocation Summary	
Funding Limit	\$750,000.00
Pending	\$0.00
Disbursed	\$0.00
Funds Available	\$750,000.00
- My Tasks:** A list of tasks with counts, including 'Total Messages' (5), 'Assigned to Me' (0), 'Assigned to my Group' (0), 'My Work in Progress' (1), 'Messages from The Bank' (2), 'Conditional Commitments' (2), 'Post Funding' (0), and 'Past Due Documents' (0). A 'Message Board' and 'Message Archive' button are also visible.
- Purchase Only:** A section for new home purchases, including a description and an 'Apply Now' button.
- Rehab Only:** A section for home rehabilitation, including a description and an 'Apply Now' button.
- Application Status:** A search bar for checking application status.
- Continue Application:** A search bar for continuing an application.

Highlights include:

- Member cap increased from \$500,000 to \$750,000

AHP Homeownership Set-aside Program Overview

- FHLBank Atlanta's Affordable Housing Program (AHP) Homeownership Set-aside Program provides funds for the purchase or rehabilitation of a home

**Eligible Homebuyer(s)/
Homeowner(s)**
include low- and moderate-
income households



Funds Can Be Used
to reduce principal and
assist in down payments,
closing costs,
and/or rehabilitation costs



- Homeownership products are an excellent marketing tool and can help connect you to gatekeepers

AHP Homeownership Set-aside Program Overview



First-time Homebuyer
(up to \$12,500)



Community Partners
(up to \$15,000)



**Community Rebuild
and Restore**
(up to \$10,000)

Availability first-come, first-served basis



Each member is limited to **\$750,000 in funds** during an annual offering period



\$12,500 – \$15,000 available to eligible low- to moderate-income homebuyers(s)

Funds can be used for:

- Reducing principal
- Assisting with down payment, closing costs, and rehabilitation costs

Homebuyer Counseling Session

Borrowers must complete a homebuyer counseling program provided by an FHLBank Atlanta designated counseling provider.

Five-year Retention Period

Purchase products only – borrowers must sign AHP Homeownership Set-aside Program note and security instrument. The documents must be approved by FHLBank Atlanta prior to initial use.

Failure to own and occupy the property for five years could result in the recapture of funds on a pro rata basis



First-Time Homebuyer

Maximum Amount: **\$12,500**

- Assistance for borrowers that meet the definition of first-time homebuyer as defined by [Homeownership Center \(HOC\), reference guide, chapter 3](#), which includes recovering victims of catastrophic loss or natural disasters



Community Partners

Maximum Amount: **\$15,000**

- Assistance for currently employed or retired law enforcement officers, educators, health care workers, firefighters, other first responders; veterans and active-duty military, or their surviving spouse



Note: See a more detailed definition in AHP Implementation Plan



80%

Area Median Income

Household income must be at or below 80 percent of the county area median income, or the state median family income, adjusted for family size as published by HUD based on the Bank's methodology (whichever is higher)

This is a regulatory requirement



\$1,000

Minimum Homebuyer Contribution

Borrower must contribute a minimum of \$1,000 toward eligible product transaction (not applicable to Community Rebuild and Restore product)



\$250

Maximum Cash Back

Borrower can receive no more than \$250 cash back at closing

This is a regulatory requirement

Community Rebuild and Restore

Maximum Amount:

\$10,000

The Community Rebuild and Restore Product facilitates the rehabilitation of an existing owner-occupied property located in “Major Disaster” declaration areas designated by the Federal Emergency Management Agency (FEMA) located within the United States and its territories

Use of Funds

Funds must be used to correct defects or deficiencies resulting from the identified disaster no more than 36 months prior to the date of the application submission, and must be used for repairs not covered by insurance currently in place for the property

FEMA ID# required at submission



Eligibility Guidelines – Calculating Household Income



FHLBank Atlanta - AHP Income Limits Calculator

Enter Calculation Criteria

HUD Year *

State *

County *

MSA *

Household Size *

Household Income *

Maximum 80% Income	\$87,680.00
Household AMI %	71.62 %
Household Income <= 80% AMI	

To calculate household income:

- Select HUD Year from drop down
- Select State, County, Household Size, and input household income for all household members 18 years of age and over
- Click Calculate AMI%

AHP Income Limits ?

AHP Income Limits ?	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%	\$68,160.00	\$77,920.00	\$87,680.00	\$97,360.00	\$105,200.00	\$112,960.00	\$120,800.00	\$128,560.00
65%	\$55,380.00	\$63,310.00	\$71,240.00	\$79,105.00	\$85,475.00	\$91,780.00	\$98,150.00	\$104,455.00
50%	\$42,600.00	\$48,700.00	\$54,800.00	\$60,850.00	\$65,750.00	\$70,600.00	\$75,500.00	\$80,350.00

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

The following eligibility guidelines apply to all loans that are part of the AHP Homeownership Set-aside Program transaction:

Application Charges/Fees

- Interest rates, fees, points, and any other charges for all loans may not exceed a reasonable market rate of interest, fees, points, and any other charges for loans of similar maturity, terms, and risk

Term

- Minimum five-year term

Amortization

- Fully amortizing

Mortgage Type

- Fixed-rate mortgages are eligible
- Adjustable-rate mortgages are eligible with certain parameters
- Balloon mortgages that have minimum 10-year balloon end date

The following **are not** eligible for funding through the AHP Homeownership Set-aside Program:



Mortgage Type

- Interest-only or pay option loans

Amortization

- Negative amortization

Application Charges/Fees

- Processing, pre-payment, and reserve accounts are prohibited for transactions with AHP funds



Documentation

Provide income documentation for all household members 18 and over, dated within 30 days of the application submission

- Written Verification of employment (VOE) fully completed
- Thirty (30) days of current and consecutive paystubs
- Zero Income Certification required for any household member 18 and over that has no income



Verification

Census tract verification document that matches the property address and census tract selected on Step 3

- We will also accept the Flood Certification, if it lists a census tract number, or the first three pages of the appraisal



Certification

Executed intake certification

- This is a two-page fillable pdf, and both pages must be provided. If the application includes a non-occupant co-borrower, they must execute page two of the document and list any financial support that will be provided to the household
- The document can be signed electronically or printed and signed. We do not accept typed initials or signatures

Workflow – Homebuyer Counseling Session



FHLBank Atlanta provides **Money Management International, Inc. (MMI) or Credit.org** contact information and a unique counseling reservation number for each borrower to the member within the conditional commitment notification email once the application has been approved

Member provides MMI or Credit.org contact information and the unique reservation number to the borrower(s) in order to schedule the counseling session

A certified counselor will contact the borrower(s) to complete the scheduled counseling session

The counselor will provide the borrower(s) with a certificate of completion when the counseling session has been completed

The borrower(s) will need to provide the certificate of completion to the member prior to funding

Purchase: The member or their closing agent is responsible for transferring the funds in the amount of **\$275** to MMI or Credit.org per the payment instructions located in the [AHP Pre- and Post-Funding Documentation Requirements document](#)

- Gather all required documents from the household:
 - Household income documentation for everyone 18 years old and over who will occupy the residence
 - Fully executed and complete Intake Certification (If the document is signed electronically, provide verification pages. There should be no typed initials or names) Both pages must be provided
 - Is there a non-occupant co-borrower? If so, they must execute the Intake Certification and list any income being provided to the household
- If the subject property is a duplex or will have rental units associated with the property, current and/or future rental income documentation must be provided
- **Review the 1003 to ensure all household information and household income has been provided at application**

Asset Statements

- Provide interest earnings from asset accounts (e.g., stock, bonds, CDs, etc.), but **only if the assets total \$50,000 or greater** (does not include retirement accounts)

Other Income Sources

- All income sources must be documented, including self-employment sources and other sources. If the homebuyer is receiving financial support, such as non-court ordered child support or financial support from a family member, a statement over HUD1010 language must be provided

See the Pre and Post Funding Documentation Requirements document for HUD1010 language

How Can I Be Successful?

The following reminders will help with the submission and review of your applications:



Application Intake Reminders

- Our household income calculation is based on current circumstances. If the homebuyer/member are aware of any imminent changes expected at time of submission, the change should be reflected in the application. This includes changes in household size and income
- Any explanations or questions from FHLBank Atlanta regarding employment earnings must be addressed by the employer

Funding Reminders

- Review the commitment email to ensure you are providing any documentation that was requested as a condition of funding
 - If the annual household income is not at least five times the first mortgage amount, attach the Underwriter's Final Transmittal Summary when submitting funding documents
- Review your past due post-funding folder for applications that have been funded but final documents have not been provided
 - Past due documents will prevent other transactions from being processed

Post-funding Reminders

- Review the CD in its entirety prior to submission to FHLBank Atlanta
 - If there are other funding sources, attach corresponding CD or approval letter(s)
 - If the CD or security instrument includes names that are not listed as household members or non-occupant co-borrower(s) on the original Intake Certification, address this by providing supporting documentation (*e.g. attach executed name affidavit, or new executed Intake Certification*) and an explanation in the comment box on step 9
- Maximum \$250 cash back at closing is a regulatory requirement and can't be waived
 - If homebuyer(s) received more than \$250 back at closing the following steps are to be taken
 - The member cannot seek repayment from the homebuyer(s)
 - The member is to make the principal curtailment in the excess amount to cure the discrepancy and;
 - Provide evidence with a mortgage statement to FHLBank Atlanta

Any person who knowingly makes a false statement or misrepresentation to FHLBank Atlanta is subject to penalties that may include 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
- Third-party Lenders
- Closing Agents
- Contractors/Inspectors
- Realtors



Civil / Criminal
Court System



Professional
Licensing



Enforcement
of Contract

Non-disclosure of additional household member at application

- During the funding review of an application, an email was received from the lender informing FHLBank Atlanta that the homebuyer disclosed she was married and her spouse, who currently resides with her, had no income
- The application and Intake Certification submitted during the application process did not include the homebuyer's spouse
- The funding for this transaction could not take place and the application became ineligible



Non-disclosure of additional household income at application

- During the funding review of an application, one of the conditions of funding documents (Transmittal Summary) included comments that the borrower was still employed and has had a second job for two years
- When the Bank followed up, the household member did not realize that unemployment income needed to be disclosed

Scenario Issues	Scenario Outcome
<ul style="list-style-type: none">• The second job was not disclosed on the Intake Certification or within the application documentation• The Intake Certification contained was not accurate information<ul style="list-style-type: none">– The Intake Certification is considered a legal document containing accurate, factual information as certified by the applicant	<ul style="list-style-type: none">• The funding review resulted in an application QC• The additional income resulted in the AMI being over 80 percent and the application is no longer eligible to receive AHP funds



Marketing:

FHLBank Atlanta provides templates to assist with marketing the AHP Homeownership Set-aside Program

- Templates are available on our website
- Direct assistance with member



Technical Assistance:

FHLBank Atlanta will conduct webinars, joint outreach, and business development events in collaboration with our members

COMMUNITY PARTNERS PRODUCT
UP TO \$10,000 AVAILABLE FOR HOME PURCHASE

At (Member Bank), we are committed to supporting families and individuals who make their living serving others in the community. As part of this commitment, we offer a unique financial opportunity for current or retired law enforcement officers, educators, health care workers, firefighters, and other first responders; veterans and active-duty members of the military or their surviving spouse; and COVID-related essential workers who are purchasing a home.

(Member Bank) can help homebuyers assist up to \$10,000 to assist with their payment, closing costs, and relocation costs toward their purchase of a home.

Funding is available to qualified homebuyers that meet product and income eligibility requirements, including first-time homebuyers in families and individuals that currently own a home or have previously owned a home.

To assist in meeting eligible requirements, the homebuyer must:

- Contribute at least \$1,000 toward the purchase of the home
- Occupy the home as a primary residence
- Complete a homebuyer education and financial literacy course specified by FHLBank Atlanta

Please contact one of our loan officers to determine if you are eligible for Community Partners lending to begin your application process.

INSERT YOUR LOGO HERE
Your contact information goes here
Your brochure information goes here

*Community Partners Product is a product of FHLBank Atlanta. Use subject to change. Subject to income, credit, and other requirements only. Please see the Affordable Housing Program at [www.fhlbankatlanta.com](#) for more information on this program and other opportunities.

FHLBank ATLANTA
A FEDERAL HOME LOAN BANK

AFFORDABLE HOUSING PROGRAM HOMEOWNERSHIP SET-ASIDE PROGRAM
MARKETING AND PUBLICITY GUIDE
OPEN DOORS TO NEW BUSINESS OPPORTUNITIES

FIRST-TIME HOMEBUYER
UP TO \$7,500 AVAILABLE FOR HOME PURCHASE

Buying your first home is an important milestone in your life. Here at (Member Bank), we understand that finding the right financing plan is as important as finding a home that fits your lifestyle.

To help you get started on your home, (Member Bank) can help first-time homebuyers access up to \$7,500 to assist with their payment and closing costs incurred when purchasing a home. Funding is available to qualified first-time homebuyers*.

In addition to meeting income eligibility requirements, the homebuyer must:

- Contribute at least \$1,000 toward the purchase of the home
- Occupy the home as a primary residence for at least five years
- Complete a homebuyer education and financial literacy course specified by FHLBank Atlanta

(Member Bank) prides itself on providing accessible and flexible financial resources and mortgage products to first-time homebuyers. Please contact one of our loan officers to determine if you are eligible for First-Time Homebuyer Funding and to begin your application process.

INSERT YOUR LOGO HERE
Your contact information goes here
Your brochure information goes here

*First-Time Homebuyer Program is a product of FHLBank Atlanta. Use subject to change. Subject to income, credit, and other requirements only. Please see the Affordable Housing Program at [www.fhlbankatlanta.com](#) for more information on this program and other opportunities.

Helpful Resources



Program Guidelines	Links
<ul style="list-style-type: none">Targeted Community Lending Plan	https://corp.fhlbatl.com/files/documents/targeted-community-lending-plan.pdf
<ul style="list-style-type: none">AHP Implementation Plan	http://corp.fhlbatl.com/files/documents/ahp-implementation-plan.pdf
Application Resources	
<ul style="list-style-type: none">AHP Income Limits Calculator	https://cis.fhlbatl.com/regsponsor/incomecalculation
<ul style="list-style-type: none">AHP Pre and Post Funding Documentation Requirements	http://corp.fhlbatl.com/files/documents/ahp-pre-post-documentation-requirements.pdf
<ul style="list-style-type: none">AHP Income Calculation Guide	https://corp.fhlbatl.com/files/documents/ahp-income-documentation-requirement.pdf
<ul style="list-style-type: none">Zero Income Certification	http://corp.fhlbatl.com/files/documents/ahp-zero-income-certification.pdf
<ul style="list-style-type: none">Intake Certification	http://corp.fhlbatl.com/files/documents/intake-certification.pdf
Marketing Resources	
<ul style="list-style-type: none">AHP Marketing and Publicity Guide	http://corp.fhlbatl.com/files/documents/ahp-marketing-publicity-guide.pdf

Do You Have Any Questions?



We are happy to help!

Thank You