

Community Programs

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Community Programs
Specialist
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Building Communities Together

FHLBank Topeka

- Government-sponsored enterprise (GSE) established in 1932
- Created 12 district FHLBanks
- Tenth District includes Colorado, Kansas, Nebraska and Oklahoma
- Currently serve more than 837 banks, thrifts and credit unions

FHLBank Topeka's Mission

“We make a difference by helping our members build their communities”:

We assist them in addressing a broad range of economic development and housing needs in their communities through:

- FHLBank Topeka's primary product lines; and
- Special housing and community development programs

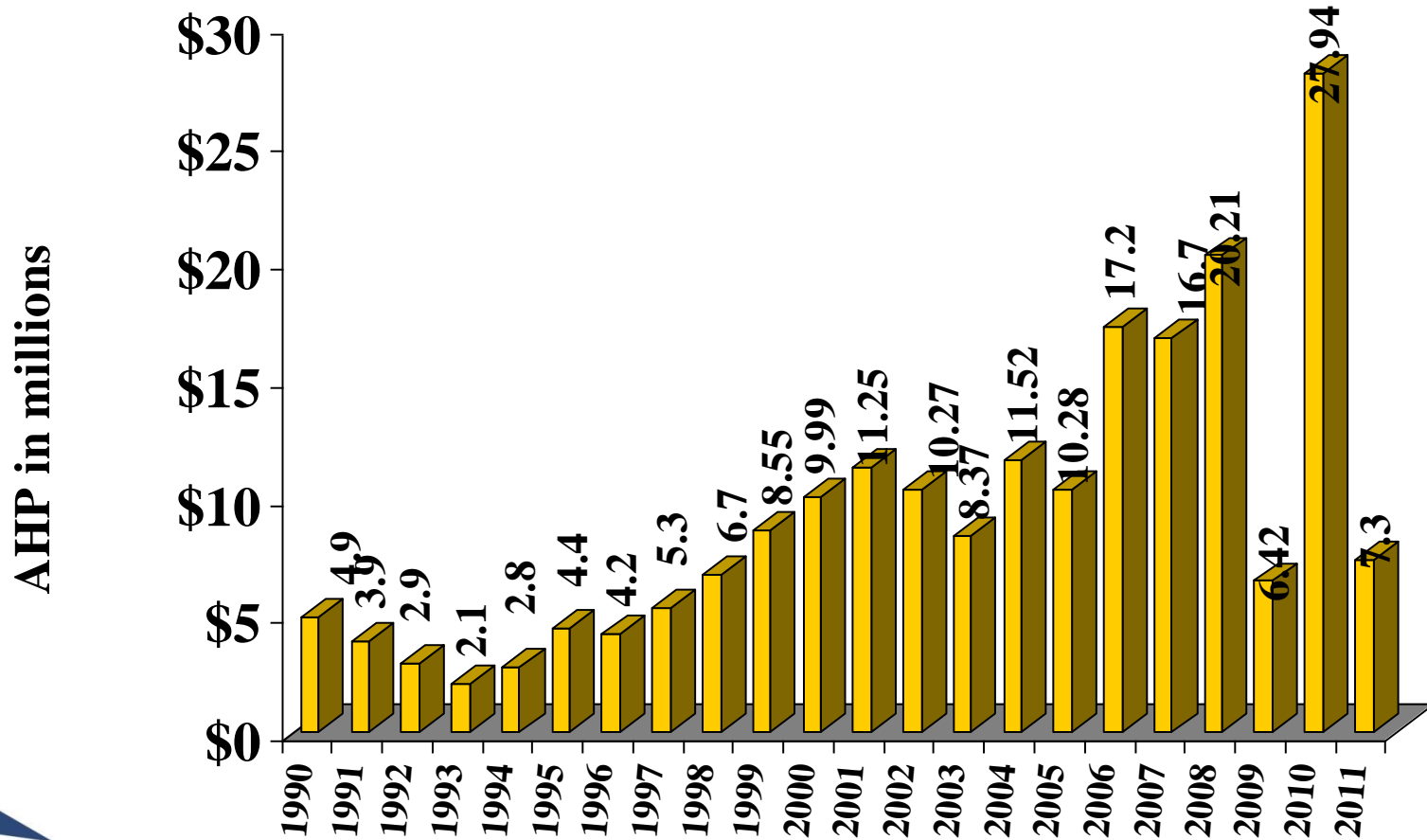
Programs

- Mandatory Programs
 - Affordable Housing Program (AHP)
 - HCD Advance Programs (CIP dba CHP/CDP)
 - Affordable Housing Advisory Council
- Discretionary Programs
 - Homeowner Set-aside Program (TOP, RFHP, Disaster Area related Assistance)
 - Rural Homebuyer Education
 - Community Housing Program *Plus* (CHP *Plus*)
 - Community Development Program (CDP)
 - HCD Emergency Loan Program (HELP)
 - Joint Opportunities for Building Success (JOBS)

Affordable Housing Program

- Provides grant funding for owner-occupied and rental housing which can be used for purchase, new construction, or rehabilitation.
- Must apply thru a member institution.
- Households at or below 80% AMI are counted towards the AHP subsidy.
- Funds can be used in conjunction with other financing sources
- 15 year compliance period for rental projects / 5year compliance period for homeowner projects.

AHP Funding



Affordable Housing Program

AHP Requirements



- Up to \$400,000 for purchase, new construction or rehab. The amount is subject to change per year
- Households at or below 80% AMI are counted toward AHP subsidy
- Must apply thru a member institution for AHP application
- 20% of tenants <50% AMI for rental projects
- Fifteen year compliance period for rental and five year pro-rated compliance for homeowners

Affordable Housing Program

AHP Process

- 1 round for 2011
- Technical assistance and scoring tips made prior to application submission
- Pre-application review 4- weeks prior to round deadline.
- Round opens 30 days prior to submitting application online and copies of support letters and verification of additional items due 3 business days after application online deadline. There is no cost to submit an application-
 - Online application - www3.fhlbtopeka.com/ahp/default.aspx
- Award announcements will take place around 4- 5 months after the submission of the on-line application

Affordable Housing Program AHP Funding Criteria (Scoring)

- Board approves scoring as part of annual AHP IP
- Nine scoring factors:

| CRITERIA | POINTS |
|--|------------|
| 1. Targeting | 20 |
| 2. Subsidy per unit | 10 |
| 3. Donation of land or property | 5.0 |
| 4. Nonprofit sponsor | 7.5 |
| 5. Homeless | 5.0 |
| 6. Empowerment | 7.5 |
| 7. Community Stability | 7.5 |
| 8. District Priority #1 - special needs; member participation; rural; first-time homebuyer; urban; community involvement | 20 total |
| 9. District Priority #2 -other funding; support services; large units; employment related | 17.5 total |

Affordable Housing Program

AHP Timelines

- 12 months to draw AHP funds or secure other financing – An additional 6 months extension can be granted.
- 42 month timeline to request all funds
- 48 months to complete project

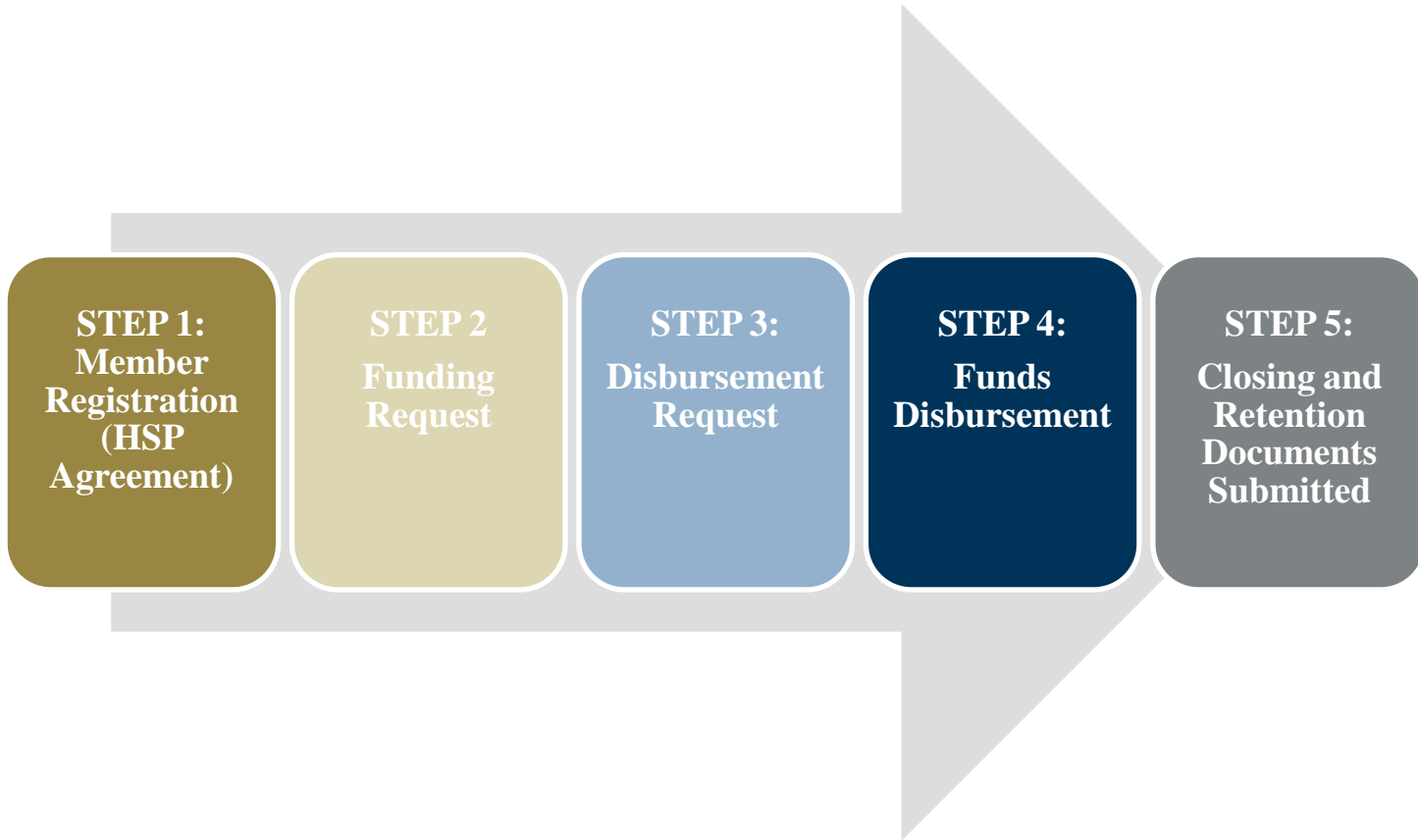
Housing & Community Development Programs

- Homeownership Set Aside Program (HSP)
 - Rural First-time Homebuyer Program (RFHP)
 - Targeted Ownership Program (TOP)
 - Disaster area related assistance

Homeowner Projects

- All homeowner units must be occupied by households below 80% AMI.
- AHP funds may be used to pay for homeownership counseling fees, but only on AHP assisted units.
- Retention requirement is five years.

HSP PROCESS



All forms are available at www.fhlbtopeka.com

HSP - Rural First-time Homebuyer Program 2011

- Awards grant funds to stockholders to help first-time homebuyers purchase a home in a rural area.
- Up to \$4,000 per homebuyer and \$250,000 per stockholder can be used for down payment, closing cost or rehabilitation.
- Members are not guaranteed access to the maximum allowable HSP subsidy of \$250,000. Any funds remaining after May 1, 2011 may be requested on a first-come first-served basis.

Eligible Uses

- Down payment
- Closing Costs
- Homebuyer education fees or rehabilitation costs associated with the purchase of a home.
- Single-family homes, mobile homes, condominiums and cooperatives.

Eligible Uses (cont.)

Allowed in combination with:

1. Secondary market
 2. Mortgage insurance
 3. Non-FHLBank subsidy
- Cannot be used with AHP or TOP for the same household

HSP/RFHP Criteria

- First-time homebuyer
- Household income < 80% MRB limits
- Home located outside the urbanized area of the central city of an MSA
- Household's primary residence
- Minimum of \$500 down or documented sweat equity
- Mandatory homebuyer education

MANDATORY HOMEBUYER EDUCATION

- Complete “acceptable” homebuyer counseling program prior to disbursement, includes, but not limited to, training provided by:
 - HUD-approved Housing Counseling Agency
 - State Homebuyer Education Association Certified (i.e., OHFA)
- Training based on a recognized homebuyer education program
- Does not apply to disaster repair assistance
- FHLBank prefers face to face counseling but the several online homebuyer education can be utilized.

RURAL LOCATION

- Rural is defined as located outside of the urbanized area of the central city of a Metropolitan Statistical Area (MSA)
- Examples of **ineligible** communities: Kansas City, Topeka, Lawrence and Manhattan

HSP/Targeted Ownership Program (TOP)

- Awards grant funds to stockholders to help first-time homebuyers that have disabled household members to purchase or rehabilitate a home.
- Funds up to \$4,000 per homebuyer. Funds can be used for down payment, closing cost or rehabilitation.
- In order to request funds a 2011 HSP agreement must be completed first.
- Cannot be used for RFHP or AHP assisted households.

HSP/TOP Criteria

- First-time homebuyer (same definition as RFHP)
- Household includes an individual with a physical or developmental disability
- Household income < 80% of MRB limits
- Home located in district in rural or urban location
- Household's primary residence
- Completed HSP agreement form
- Minimum of \$500 down
- Mandatory homebuyer education

HSP/TOP Criteria (cont.)

- Proof of disability required at time of disbursement of funds
- Homebuyer has been qualified for financing. (Income information must be based on the most recent applicable current income documentation).
- HSP household may not receive cash back at closing in excess of \$250
- Income must be documented and qualified based on all members of household anyone age 18 and over who resides in the home.

Disabled Household Member Defined

- Defined as:
 - A household which includes a person with a physical impairment or developmental disability which substantially limits one or more major life activities
 - Requires documentation of disability or evidence of disability payment.

Disaster Area Related Assistance

- HSP funds can be used in federally declared disaster areas.
- Household does not have to be a first time homebuyer.
- HSP funds must be used for costs related to damage associated with the disaster.
- For disaster related requests, copies of insurance settlements, disaster assistance or other assistance related to the cost of the house being repaired or replaced are required at the time of disbursement.

Community and Economic Development

- Grants
 - JOBS
- Advance funding for stockholders
 - CDP
 - HELP

JOBS



Lake City, Colorado JOBS Grants
Downtown redevelopment/revitalization

JOBS

- \$1.5 million earmarked in 2011 – see website for details
- Grants
- Emphasis on:
 - Job impact
 - Community support
 - Project viability and readiness to proceed
 - Leveraging
- \$25,000 max per member
- \$25,000 max per project
- Application deadline was April 1, 2011

JOBS 2011 Review Process

- All applications ranked against seven factors
 - Asset-based economic development
 - Distress
 - Community benefit
 - FHLBank products used
 - Leverage
 - Member participation
 - Community participation

CHP & CHP *Plus*

- CHP Advances provide members with wholesale loans (advances) priced below FHLBank's regular rates to help finance owner- and renter-occupied housing in their communities. This favorable pricing, coupled with the availability of funds in terms up to 30 years, helps lenders extend long-term, fixed rate credit for housing.
- CHP *Plus* provides members with wholesale loans (advances) priced at FHLBank's cost of funds to help finance rental housing projects affordable to households at or below 80 percent of area median income (AMI) in their communities.

CHP

- Single-family home loans (CHP)
- One-to-four family rental properties (CHP or CHP *Plus*)
- Multifamily rental projects (CHP or CHP *Plus*)

Community Housing Program (CHP) Criteria

- Homeowner MRB Incomes range from \$93,235-\$83,450
- Affordable Rents
 - CHP Rents \$2,027 - \$1,518
 - CHP Plus Rents \$1,410 - \$1,056

HELP

- Funding for members' loans to address the effects of federally declared disasters
- HELP advances priced at FHLBank's cost of funds
- \$25 million pool annually
- 200 bp maximum markup
- \$2 million max per project
- 4-month term min / 30-year term max
- Two HELP approvals per year per member

Resources

Housing and Community Development Staff Toll Free # 866.571.8155

| | | |
|-------------------------|------------------------------------|--------------|
| Tom Thull | First Vice President, Director HCD | 785.438.6029 |
| Mark Ward | Quality Control Manger | 785.438.6037 |
| Mike Borchert | HCD Financial Manager | 785.438.6237 |
| Eric Jennings | HCD Financial Specialist 1 | 785.438.6247 |
| Noelle St. Clair | Community Programs Specialist | 785.438.6033 |
| Michele Carter | HCD Program Manager | 785.438.6032 |
| Utika Scales | HCD Specialist | 785.438.6035 |
| Terri Smith | HCD Specialist | 785.438.6289 |
| Joan Lickteig | HCD Specialist | 785.438.6229 |
| Jeff Ragsdale | HCD Specialist II | 785.438.6034 |
| Amy Apitz | HCD Specialist | 785.438.6031 |

Resources

FHLBank Web site: www.fhlbtopeka.com

- Community Programs – Programs
- Applications
- Resources