

2022 AHP Habitat Disbursement Webinar

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AHP Habitat disbursements overview

- Summary
- Disbursement Availability and Adjustments
- Disbursement Processing
- Disbursement Criteria
- Disbursement Feasibility
- Household Eligibility Guidelines
- Documents and Forms along with the Common Mistakes

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Summary

- Review the AHP Habitat Disbursement Manual prior to submitting a request available at www.fhlbcin.com.
- The Manual describes FHLB's specific needs for each item on the AHP Habitat Disbursement Request Form (Request Form).
- Submit one Request Form for each household.
- Disbursement requests should be received by FHLB within 60 days of the homebuyer loan closing.

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Habitat for Humanity affiliates utilizing third-party lending

- Affiliates that will not be providing their own mortgages to the homebuyers, and instead utilizing a third-party lender, are required to follow the Ownership guidelines as detailed in the AHP Ownership Disbursement webinar, not this one.

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Household eligibility guidelines

- Households must meet all targeting commitments detailed in the project's approved AHP application or latest modification.
- All determinations made by FHLB are final and we will not re-evaluate anything after the approval is issued.
- Pre-approval requests can now be submitted at the time of your disbursement request or prior to the completion of the work on the home/the closing of the loan for each household.

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Inactive requests

- FHLB will deem inactive any ownership disbursement requests where the Sponsor/Member has been non-responsive for 90 days or longer.
- Inactive requests will not be followed up on as they are not considered to be a part of the project.
- If additional information is eventually provided, but the project has too many active requests, the Sponsor will need to decide what request(s) should be withdrawn before reactivating the request.

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Disbursement availability and adjustments

- FHLB reserves the right to deny, delay, reduce, or recapture funds at any time if:
 - The Member or Sponsor failed to respond to a prior FHLB request for additional information;
 - The Member or Sponsor have a non-compliant project(s);
 - The Sponsor has an older or incomplete AHP project that is not making adequate progress;
 - Costs represented are not reasonable; or
 - The project no longer demonstrates a need for subsidy.

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Disbursement processing

- FHLB will:
 - Review the request package,
 - Re-evaluate the financial and operational feasibility of the project,
 - Verify the project continues to qualify for the subsidy,
 - Request further documentation as necessary,
 - Send a Confirmation of AHP Funds Disbursement letter to the Member and Sponsor via e-mail upon approval for funding.

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Disbursement criteria

- Requests will be processed in accordance with FHLB's policies and procedures, which are dictated by the AHP Implementation Plan (IP).
- Physical construction for the project must be completed within three years of the AHP award and must be disbursed prior to its AHP commitment expiration date.

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Online submissions

- Every disbursement request must be submitted by the Member through the Member's Only portal on our website.
- Sponsors are responsible for gathering the required documentation and signing the Request Form to submit to the Member for submission.
- If the pre-approval was not previously completed, then all pertinent documentation must be submitted with the disbursement package.

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Online request form

Affordable Housing Program Disbursement Request

[Main Menu](#)

Member Information

Member:
 Year:

Form Information

☐ New ☐ Renew (occupied before) ☐ Rereading

Applicant Information

Applicant:
 First Name: MI: Last:
 Co-Applicant (if applicable):
 First Name: MI: Last:
 Has the household already been pre-approved for this project?
☐ Yes ☐ No

Property Information

Address:
 City: State: Zip: County:
 Unit Size:
☐ Single family ☐ Two family duplex ☐ Three family (triplex) ☐ Four family (quadplex)
 ARP grant requested: (This text cannot be changed)



Online request form

Mortgage Information

1st Mortgage:
 Term: Amortization: Interest rate:
 months months percent rate cannot exceed 7.500%

Loan Amount:

The first mortgage loan product is:
☐ Conventional ☐ FHA ☐ VA ☐ HUD/USDA ☐ Habitat ☐ NA ☐ Other

Is the Member providing the loan and servicing the loan?
☐ Yes ☐ No

Is the Member servicing the loan, but not providing the loan?
☐ Yes ☐ No

2nd Mortgage:
 Is there a second mortgage? ☐ Yes ☐ No

Contact Information

Please provide the name and phone number of the person completing the form.
 Name: Phone #:

The individual signing this request certifies they are authorized to make such request and representations contained herein on behalf of the project Member. All information provided is true and accurate, and they have read and understood the requirements for the program mentioned in the ARP Disbursement Manual.
☐ I agree

Upload Documentation

• Attach the Sponsor completed ARP Disbursement Request form with all supporting documentation.
 Please note: (See #)

* This field must be the file number of the document you are uploading.
 * Upload the documents: pdf, doc, docx, xls
 * Max file size: 10MB
 * All documents must be included in one attachment and the attachment name cannot contain any illegal characters such as: \, /, &, @, #, %
 * Max number of files allowed: 1

Select Files...



Disbursement request instructions

- Step 1: Provide required pre-approval documents
- Step 2: Complete the Request Form
- Step 3: Gather the Required Documents
- Step 4: Obtain required signatures and submit to Member
- Step 5: Member submits the request with all Required Documents to FHLB through the Member's Only portal.

Disbursement Request Form

AHP Habitat Disbursement Request
Effective January 3, 2022

FHLB CINCINNATI

Homebuyer Name: _____
 Address of Subject Property: _____
 Member Name: _____
 Sponsor Name: _____
 Project Number: _____
 Total Initially Awarded: \$ _____ Final Amount Requested: \$ _____

Refer to the AHP Habitat Disbursement Manual for acceptable form of required documentation. Documents that do not meet FHLB's requirements as listed in the manual will be required to be amended prior to disbursement of AHP funds. Sponsors now have the option to submit a pre-approval request at the same time as the disbursement request or prior to completion of the work on the house or the closing of the loan for each household. Habitat for Humanity affiliates that will not be providing their own mortgage products to the homebuyer, but will be utilizing a third-party lender, should use the AHP Ownership Disbursement Manual and Request Form.

Required Documents:	Already on file	Enclosed	N/A
1. The Sponsor certifies they have completed disbursement training: Yes <input type="checkbox"/> No <input type="checkbox"/>			
2. Has this household already been pre-approved by FHLB? Yes <input type="checkbox"/> No <input type="checkbox"/> If "Yes," skip to #6. If "No," go to #3.			
3. Completed General Information and Income Calculation pages from the FHLB Income and Affordability Worksheet.		<input type="checkbox"/>	
4. Homebuyer owner information: a. Executed and dated intake form or loan application. b. Documentation of AHP-assessed household size, if not stated on the intake form or loan application. c. Third-party verification for all income sources for all household members.		<input type="checkbox"/>	<input type="checkbox"/>
5. Evidence dated from the application year showing the household assets the commitments made in the approved AHP application, if applicable: a. First-time homebuyer b. Homeless household c. Elderly household d. Household with special needs		<input type="checkbox"/>	<input type="checkbox"/>
6. Evidence of completion (Certificate of Occupancy or a.)		<input type="checkbox"/>	
7. Type of work completed for this house: New Construction <input type="checkbox"/> Rehabilitation <input type="checkbox"/> Acquisition Only <input type="checkbox"/>		<input type="checkbox"/>	
8. Evidence the household attended homeownership counseling.		<input type="checkbox"/>	<input type="checkbox"/>

AHP Habitat Disbursement Request Form
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1 - Disbursement training

- One person from the Sponsor organization is required to participate in training for this disbursement type prior to submission of a disbursement request.
- A consultant cannot attend training on the Sponsor's behalf.
- AHP Sponsors may watch a recorded webinar at www.fhlbcin.com that includes audio, not the slides-only version.

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2-5 - Pre-approval requirements

- These sections pertain to the pre-approval piece of the package.
- If the pre-approval was already completed, mark 'Yes' for question 2 and 'N/A' for questions 3-5.
- If a pre-approval still needs to be completed, all required documentation must be submitted and mark the Request Form appropriately for questions 2-5.
- Refer to the Pre-Approval Manual and webinar for details about this process.

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6 - Evidence of completion

- Submit one of the following for any unit that involved construction or rehabilitation work:
 - A certificate of occupancy; or,
 - A final inspection signed by a third-party certified/ licensed inspector verifying that the work is complete and to code AND a copy of their license/certification.
- The evidence of completion must contain a completion date that does not precede the project's AHP award date.

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6 - Evidence of completion

- The project address on the evidence of completion must match the household's address as identified elsewhere.

Common Mistakes:

- The documentation submitted was not signed by a third-party licensed inspector.
- The inspector's license was not submitted as required.

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7 - Indication of project type

- The Request Form has a section to check what type of unit the property is: new construction, rehabilitation, or acquisition only.
 - Rehabbed units in which a new owner acquires a property must have construction hard costs in excess of \$5,000.00.
 - If the project was approved for substantial rehab, then the construction hard costs must be equal or exceed \$10,000.
- If the project was approved with only one project type, it cannot produce housing of a different project type without requesting a modification first.

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8 - Homeownership counseling

- Mandatory counseling is required for each applicant by submitting a copy of the homebuyer's completion certificate or a current, executed letter from the Sponsor indicating the homeowner counseling program has been completed.
- The homebuyer counseling program must include at a minimum: mortgage financing, credit-worthiness, household budgeting, and home maintenance.

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9a - Donation of goods/services

- Must provide a current, executed letter from a community organization indicating the organization has provided the goods/services valued at \$500 or more on one or more of the AHP assisted homes in the project.
- An email containing the contact and organization name is also acceptable in lieu of a letter.
- At least \$500 of the donation value must also be entered under the IN-KIND (Donated) section on one or more of the Development Budgets.

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9b - Fee waiver from the local government

- Documented with a current, executed letter from a government entity indicating the entity has provided a fee waiver for at least one of the AHP-assisted homes creating a savings to the project of at least \$500.

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9c - Energy-efficient new construction

- Projects constructing new housing units that are energy-efficient must meet or exceed one of the following:
 - A signed LEED Certification,
 - Enterprise Green Communities Certification,
 - Evidence of the HERS rating of 85 or less,
 - Proof that the REScheck calculation exceeds the 2012 Model Energy code by 15% or better (must be from a third-party),
 - Energy Star, or
 - Passive House Certification

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9c - Energy-efficient new construction

Common Mistakes:

- Documentation did not prove the home met the required energy-efficiency standards.
- A document that has not been approved by FHLB was submitted.
- REScheck document submitted was not completed by a third-party.
- Documentation provided was not for the subject property.

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9d - Adaptive reuse

“Adaptive reuse” means rehabilitation/conversion of an existing structure not originally intended for housing into use as housing. The structure cannot have previously been used for housing of any type.

- Submit one of the following to verify that the project earned the point in this scoring category:
 - Local zoning information,
 - Property Value Assessment data,
 - Existing building floor plan,
 - Pictures from Sponsor’s acquisition, or
 - Other documentation approved by the FHLB.

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10a - Verification of Sponsor commitments

- Must be the completed and executed AHP Sponsor Commitment Verification form that is located on our website.
- Must be submitted before the last request is disbursed.
- Check the approved activities that have been completed and describe each activity, if applicable.
- The form is not required if the project was not approved for completing any of the activities listed on the form.

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Housing & Community Investment

Verification of AHP Approved Sponsor Commitments

Effective January 3, 2022

Project Number:

Project Name:

Sponsor Name:

The above named project was approved with one or more of the following Sponsor commitments. Check the commitment(s) that have been completed for this project by the above named Sponsor and describe the activities, if applicable.

☐ Provided marketing/outreach activities.
Describe:

☐ Completed pre-development activities (Sponsor is the developer on the project).
Describe:

☐ Completed construction/rehabilitation activities with employees or volunteers (Sponsor was the general contractor on the project).
Management of Project upon completion.

☐ Landscaping by Member or community organization.
Name of organization and describe activities performed:

The above named project was approved with commitments to provide one or more of the following empowerment services. Check the committed service(s) that are available to all homebuyers/owners or all tenants of this project.

☐ Credit counseling/budgeting
☐ Daycare services
☐ Education services

☐ Employment/skills training
☐ Tenant on Sponsor's Board (projects prior to 2021)

I certify that the information presented herein is true and accurate and further understand that providing false representations may constitute an act of fraud.

Sponsor Contact Printed Name & Title:

Sponsor Contact Signature:

Date:

Verification of AHP Approved Sponsor Commitments

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Effective 1/1/2022

10a - Sponsor Commitment Verification Form

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10b - Sponsor cash contribution

- The full amount of the contribution must be listed as a funding source on one or more of the Budgets for households in the project.
- The contribution must be at least \$500 to qualify for the point in the AHP scoring system.

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11 - AHP Habitat Development Budget

- **MUST** submit the AHP Habitat Development Budget (output tab only) with the final costs/sources.
 - Located on our website.
 - Instructions for completing the Budget are included.
- Changes cannot be made to this Budget after submission and before disbursement.
- The Budget must be signed by the Sponsor.

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Sample AHP Habitat Development Budget



Affordable Housing Program Habitat for Humanity Final Development Budget Output Detailed Cost Breakdown

GENERAL PROJECT AND HOMEBUYER INFORMATION	
Member	0
Sponsor	0
Project Number	0
Developer fee amount per unit approved	\$ 0.00
Developer fee percentage approved	0.00%
Homebuyer Name	0
Homebuyer Address	0
Homebuyer County	0
Closing Date	1/0/1900
Habitat Note/Mortgage Amount	\$ 0.00
Mortgage Term (Mos.)	0
Mortgage Rate (0.00)	0.00%
Market Rate (Assigned by the FHLB)	0.00%
Monthly Mortgage P&I Payment	#NUM!
Monthly homeowner's insurance	\$ 0.00
Monthly property taxes	\$ 0.00
Monthly predetermined housing expenses	\$ 0.00
Total Monthly Housing Expenses	#NUM!
Mortgage Amount Requires Explanation	No

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Sample AHP Habitat Development Budget

CASH COSTS		
Land/Site Work Costs		
Land	\$	0.00
Closing Costs	\$	0.00
Land Development	\$	0.00
Trench, backfill & compaction	\$	0.00
Landscaping (trees, shrubs, & ground cover)	\$	0.00
Driveways & sidewalks	\$	0.00
Drainage	\$	0.00
Underground water & sewer (including hook-up fees)	\$	0.00
Subtotal Land/Site Work Costs	\$	0.00
Materials and Labor Costs		
Appliances (range/stove, refrigerator, washer/dryer)	\$	0.00
Bridge Loan Interest	\$	0.00
Building insulation	\$	0.00
Cabinets (kitchen and bath)	\$	0.00
Ceiling fans/lights	\$	0.00
Clean-up	\$	0.00
Closet (bar, hangers, shelves)	\$	0.00
Construction Loan Interest	\$	0.00
Construction Management	\$	0.00
Countertops and backsplashes	\$	0.00
Deck, including structure and railings	\$	0.00
Doors (exterior and interior), including trim and locksets	\$	0.00
Drywall, gypsum wallboard (including systems)	\$	0.00
Electric (wiring, panel, breakers), including phone & cable	\$	0.00
Fencing	\$	0.00
Flashing & sheet metal	\$	0.00
Flooring (carpet, tile, vinyl, wood)	\$	0.00
Foundation and footers	\$	0.00
Framing, including lumber	\$	0.00
Gutters, drains, & downspouts	\$	0.00
HVAC/furnace/hot water heater	\$	0.00
Lighting fixtures	\$	0.00
Local permits/fees	\$	0.00

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Sample AHP Habitat Development Budget

CASH SOURCES		
SHOP grant	\$	0.00
CDBG grant	\$	0.00
HOME grant	\$	0.00
State Housing Finance Agency grant	\$	0.00
State/Local Gov't Grant	\$	0.00
Foundation Grant	\$	0.00
Member Bank cash contribution	\$	0.00
Subtotal Other Cash Sources	\$	0.00
Homebuyer Downpayment	\$	0.00
Cash Contributions/Fundraising (Sponsor funds)	\$	0.00
Net Present Value of Below Market Rate Mortgage (Value of Habitat Mortgage)	#NUM!	#NUM!
Total Cash Sources		
IN-KIND (DONATED) SOURCES		
Donated Land Value	\$	0.00
Donated Professional Labor Value	\$	0.00
Donated Materials Value	\$	0.00
Total In-Kind (Donated) Sources	\$	0.00
ACQUISITION COSTS VALIDATION		
Donated vs. Paid Land	ACCEPTABLE	

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Completing AHP Habitat Development Budget

- The “Total Sources” and “Total Costs” must be equal.
- When all costs and sources are entered into the Budget along with the mortgage information, the “Funding Gap (AHP required)” will be calculated. This amount must match the amount on the Request Form submitted for the homebuyer.

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Sample AHP Habitat Development Budget

DEVELOPER FEE CALCULATION	
Developer Fee Amount	\$ 0.00
Developer Fee Percentage	#DIV/0!
DEVELOPER FEE CALCULATION	#DIV/0!

TOTAL COSTS AND SOURCES	
TOTAL COSTS	\$ 0.00
TOTAL SOURCES EXCLUDING AHP REQUIRED	#NUM!
FUNDING GAP (AHP REQUIRED)	#NUM!
TOTAL SOURCES INCLUDING AHP REQUIRED	#NUM!

SPONSOR SIGNATURE SIGNOFF	
All of the costs and sources for the above homebuyer are accurate to the best of my knowledge and contain no ineligible costs (signage, drinks/food, t-shirts, lawn mowers, gifts/gift cards, entertainment, parking fees, cell phone bills, gas, donated employee labor, etc).	
Sponsor Signature:	
Sponsor Typed Name:	
Date:	

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11- AHP Habitat Development Budget

Common Mistakes:

- The Budget is not signed and dated by the Sponsor.
- The gap listed on the Budget does not match the 'Final Amount Requested' on the Request Form.
- Cash sources received by the homebuyer are not included.
- The land costs amount was erroneously entered on the Budget or the land costs are incorrectly listed under the paid costs when it was donated or vice versa.
- The developer fee exceeds 15% of the total development costs.
- All repayable mortgages are not included on the Budget.

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12 - Current appraisal

- The current appraisal is only required if the Habitat Note/Mortgage amount exceeds all costs.

Common Mistakes:

- The appraisal does not show a market value for the home that is equal to or higher than the mortgage amount.
 - If the market value is not equal to or higher than the mortgage amount then the grant will be reduced by the difference.

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13 - Executed Notes and Mortgages (Deeds of Trust)

- Executed Notes and Mortgages (Deeds of Trust) are required for all loans to the homebuyer, even if forgivable.
- All loans repayable to Habitat must be entered on the Budget.
- Homebuyers cannot occupy the property prior to closing, the project could then be considered a rental project.

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Project location

- If project addresses were indicated in the approved AHP application at the time of project approval, those addresses do NOT have to be used.
- Any property address can be used for the project as long as it meets ALL of the following:
 - Located in the county approved in the application, and
 - All the other approved scoring commitments are met, i.e. Appalachia, QCT, AIF, etc...

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14a - Verification of acquisition cost

- Document all acquisition costs shown on the Budget by submitting a signed copy of one of the following:
 - Purchase contract
 - Settlement statement
 - Deed with price
 - Sheriff's sale document
 - Loan payoff statement
- Must tie to deed that verifies ownership of the property (submit copies of surveys or platting information if necessary).
- Must be for a cost paid to a third party, not between the AHP Sponsor and itself or an entity related to the AHP Sponsor.

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14a - Verification of acquisition cost

- Does not need to be provided if the homebuyer acquired the property prior to the Sponsor's involvement in the project.
- Sponsors cannot use the outstanding balance of the foreclosed mortgage on a recycled property unless the Sponsor will not be the lender for the new loan.
- Only true costs incurred with the recycle are eligible.
- This will follow the process for "Related Party" Transactions as defined in the AHP IP.

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14b - Verification of property donation

- Must be documented with a fully executed copy of one of the following:
 - Purchase contract
 - Settlement statement
 - Letter from grantor
 - Deed indicating price
 - PVA
- Must show the Sponsor acquired all property from a third party, within 5 years of AHP application deadline, and for \$0 or a nominal price (payment of back taxes or loans payoffs constitute purchases, not donations).
- Market value of the property must be shown as a source and a use on the Budget to qualify for the point in the AHP scoring system.

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14a - Verification of acquisition cost 14b - Verification of property donation

Common Mistakes:

- The documentation of costs is not dated from the time of acquisition.
- The property address listed on the verification documents does not match the address on the Request Form, the Note(s), the Mortgage(s), or the Deed.
- The land costs are incorrectly listed under the paid costs when it was donated or vice versa.

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14c - Verification of land costs paid are at least 50% below market value

- Must be verified with a Property Value Assessment (PVA) from the county auditor's office within six months prior to the Sponsor's acquisition or;
- An appraisal signed by a licensed/certified appraiser that shows the "as-is" value of the property within six months prior to the acquisition.

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14d - Appraisal or PVA

- The market value of the land (paid or donated) must be documented with an appraisal or PVA from the county recorder's office (dated within six months prior to acquisition).
- If the price paid for the land is greater than the market value, the grant amount will be reduced unless the project was reduced for this reason at the time of application approval.
- The market value for donated land should be the figure entered on the Budget.

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14e - Property vacant due to foreclosure

- Units must have been acquired by the Sponsor directly from one of the following:
 - Foreclosure notices,
 - Sheriff's sale document,
 - Deed between the previous owner and the lender, or
 - Letter from the lender.
- Units that passed through the ownership of other entities DO NOT qualify for these points.

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14e - Property vacant due to foreclosure

- Evidence that the property was vacant at the time it was acquired by the Sponsor is required and must be documented with one of the following:
 - Photos dated within one year of the acquisition, or
 - Appraisal dated within six months prior to the acquisition.

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15a - Qualified Census Tract

- Submit a copy of a FFIEC printout indicating the property is located in a QCT.
- Projects approved in 2018 are required to have ALL of its units in a QCT.

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15b - Average Income Factor

- Submit a copy of a FFIEC indicating the property is located in a census tract with an AIF as approved.
- Projects approved in 2018 and 2019, are required to have 100% of its units located in a census tract with an AIF greater than 60%.
- Projects approved in 2020, are required to have at least 20% of its units in a census tract with an AIF greater than 120%.

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16 - Evidence of all funding sources

- If the project was approved for funding sources such as SHOP, HOME, AHTF, etc., submit the fully executed grant/funding agreements along with any attachments/exhibits.
- If the project was approved for a cash contribution from a source, submit an executed letter verifying the cash contribution.

16 - Evidence of all funding sources

Common Mistakes:

- The required documentation to verify the funding sources listed on the Budget was not provided.
- The cash source received was not disclosed on the household's Budget.
- Cash sources that were approved in the AHP application were not applied to the household's as they originally indicated.

17 - Deed

- Must submit a Deed indicating the property has been transferred to the homebuyer(s) from a third-party and that the current FHLB retention language is in the Deed or referenced in the Deed as an exhibit or addendum.
- “Retention period” means: Five (5) years from the loan closing or certification of project completion for an AHP-assisted owner-occupied unit.

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17 - Deed

Common Mistakes:

- The Deed showing the transfer of ownership was not submitted with the disbursement package as required.
- The Deed includes or references old retention language.
- The retention language is not included in the Deed or it is not properly referenced as an exhibit or addendum.

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18a - Bridge or construction loan

- Must be documented with executed copies of Note and Mortgage (Deed of Trust) showing the Member as the lender.
- For projects approved 2019 and prior, the principal amount of the loan must be at least 35% of the total hard costs of the project to be eligible for a point in the AHP scoring system.
- For projects approved 2020 and forward, there are no principal requirements.

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18b - Below-market rate on the permanent, construction, or bridge loan

- Must be documented with a current, executed letter from the Member indicating the below-market interest rate for the project and how the interest rate is below the market rate.
- The Member must have made the loan at a rate that was at least 0.50 percent below its standard rates at the time the loan was made to the AHP project.

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18c - Member cash contribution

- Must submit an executed letter from the Member or a copy of the cancelled check.
- This contribution must be listed as a “Cash Source” (Member cash contribution) on at least one of the Budgets for a homebuyer in the project.
- Projects approved in 2021 and prior, the contribution must be at least \$500.
- Projects approved in 2022 forward, the contribution must be at least \$750.

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18d - Servicing of homebuyer loans originated by the Sponsor

- Must be documented with one of the following:
 - Language in the Note indicating where the payments are made.
 - Current, executed certification from the Member that the loan has been set-up on the Member's servicing system and will be serviced at no cost to the Sponsor.
 - Notice of Assignment of Serving Rights or a screen print of the Member's servicing system showing each loan has been set up on the Member's system.

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Affordability analysis

- The housing expense ratio must be within the required affordable range of 31% or below.
- FHLB requires the loan principle(s), loan terms(s), interest rate(s), homeowners association dues, mortgage insurance premiums, and amounts for other predetermined housing costs (insurance, taxes, etc...).

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Affordability analysis

- If the annual expense ratio is not within our guidelines, FHLB will:
 - Request additional information regarding actual costs of insurance, taxes, dues, or premiums or
 - Allow a mortgage recasting to occur.
- For households that exceed 31%, if the options above do not remedy the issue, then the homebuyer will be deemed ineligible for disbursement.

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Disbursement feasibility

- The Sponsor is responsible for ensuring the financial information is correct and consistent with the approved AHP application.
- Projects must meet all feasibility guidelines and approved parameters. Any deviations must be explained and will undergo additional review for reasonableness.
- FHLB's determination will be final and any costs determined not reasonable will be disallowed and will not be reimbursed with AHP funds.

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Feasibility guidelines/limits

- Total Project Cost (TPC) per unit must not exceed \$250,000.
- Construction soft costs must be no more than 25% of TPC.
- The AHP subsidy per unit requested must not exceed \$50,000 per unit.

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Feasibility guidelines/limits

- Rehab costs requirements:
 - Rehabbed properties must have construction hard costs in excess of \$5,000.00.
 - Projects approved for substantial rehab must have construction hard costs equal to or exceeding \$10,000.
- Developer fee (maximum 15% of total development costs):

$$\frac{\text{Developer Fee}}{(\text{Total Project Costs} - \text{Developer Fee})}$$

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General common mistakes

- The Sponsor or Member is unfamiliar or did not fulfill the commitments made in the AHP application.
- Package includes documentation that contradicts something else that was also submitted to FHLB.
- The Sponsor or Member is delinquent submitting requested additional information or compliance requirements.

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General common mistakes

- The homebuyer or property does not fit into the project's requirements (special needs, elderly, homeless, first-time homebuyer, donated property, etc...).
- The Deed showing transfer of ownership to the homebuyer does not include the most recent retention language.
- Items submitted with the AHP application are resubmitted with the disbursement request package when updated documentation is required.

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Reminders

- The Request Form must be signed by the Sponsor contact.
- Any changes to income or household size that occur after pre-approval are not considered.
- A signed Budget is required for each unit when requesting funds.
- Please be sure to use the correct retention language as it has the potential to change from year to year.

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Reminders

- Submit a copy of the Note and the corresponding Mortgage for all loans made to the partner family.
- Show the principal and interest payment from the Note for all repayable loans shown on the Budget.
- Only submit the request under the project you wish to disburse it under. A household should not be transferred between projects unless it is absolutely necessary.

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Reminders

- Allow up to 30 days for FHLB staff to review the packages as well as additional information submitted.
- If a request is withdrawn by the Sponsor, it cannot be reinstated under the same project.
- Keep FHLB informed of any staff changes in your organization via e-mail.
- All requests must be submitted online through the Member's Only portal on our website.

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HCI resources

- Access resources on www.fhlbcin.com by clicking through the following links:
 - “Housing Programs” (in the header or middle of the screen) then
 - “Affordable Housing Program” (on the left)
 - Then click on one of the four drop down menus found under the Affordable Housing Program resources heading
- Contact the FHLB staff if you have specific questions that are not answered in the materials available on the website.

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Let's celebrate together!

We encourage all FHLB Members and housing sponsors to notify us of plans to celebrate or recognize any FHLB-funded housing or community investment project. FHLB is often available to participate and to offer public relations assistance for community events such as ribbon cuttings, groundbreakings, and dedications.

**Please contact Marketing/Public Affairs,
toll-free, at (877) 925-FHLB(3452).**



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Thank You



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