FHLBANK TOPEKA AFFORDABLE HOUSING PROGRAM GRANT PROGRAMS
The Bank Act requires:

- Each FHLBank to annually contribute 10 percent of its net earnings to AHP
- AHP shall finance
  - Homeownership for families with incomes at or below 80 percent of the area median income (AMI); or
  - Purchase, construction, or rehabilitation of rental housing in which at least 20 percent of the units are affordable for and occupied by very low-income households
AFFORDABLE HOUSING PROGRAM GRANTS

Partnership among FHLBank, FHLBank member institution and public and private housing development organizations

• **Affordable Housing Program (AHP) - Competitive**
  • One application round per year
  • 2019 - Applications accepted May 13 through June 28
  • Applicants notified of Funds awards by October 31, 2019

• **Homeownership Set-aside Program (HSP)**
  • 2019 - Funds available March 4
AHP COMPETITIVE – BASICS FOR 2019

• Sponsors (nonprofits, developers, housing authorities, etc.) fill out the application on AHP Online. Members submit applications to FHLBank Topeka.
• Around $12.3 million available
• Up to $50,000 per unit, Maximum Award: $1,000,000
### NEBRASKA UTILIZATION OF AHP COMPETITIVE HISTORY

<table>
<thead>
<tr>
<th>YEAR</th>
<th>AMOUNT</th>
<th>Total AHP Funds Available</th>
<th>Percentage of AHP Funds Awarded to NE</th>
</tr>
</thead>
<tbody>
<tr>
<td>2018</td>
<td>$3,787,610</td>
<td>$14,844,620</td>
<td>25.52%</td>
</tr>
<tr>
<td>2017</td>
<td>$2,511,378</td>
<td>$13,763,889</td>
<td>18.25%</td>
</tr>
<tr>
<td>2016</td>
<td>$500,000</td>
<td>$8,828,716</td>
<td>5.66%</td>
</tr>
</tbody>
</table>
AHP COMPETITIVE - USES
(all AHP assisted units must be occupied and affordable to very low-, low- or moderate-income households)

- **Rental**
  - construction
  - purchase
  - rehabilitation of existing rental units

- **Owner-occupied**
  - down payment and closing cost assistance
  - rehabilitation of owner-occupied dwellings
Components of AHP Competitive Application Analysis and Maintenance

• Eligibility
• Scoring
• Feasibility – Cost Reasonableness – Need for Subsidy
• Viability
• Disbursement
• Monitoring
• Retention Agreement – Rental – 15 yrs. Owner Occupied – 5 yrs. (New Regulation will impact Retention Requirements)
AHP Scoring Criteria

100 points possible

• Use of Donated or Conveyed Government-owned or Other Properties (5 points maximum)
• Sponsorship by a Not-for-Profit Organization or Government Entity (7.5 points maximum)
• Targeting (20 points maximum)
• Housing for Homeless Households (5 points maximum)
• Promotion of Empowerment (7.5 points maximum)
• First District Priority (25 points maximum) – In-district, Special Needs and Member Financial Participation
• Second District Priority (15 points maximum) – Federally Declared Disaster Area, Preservation of Federally Assisted Housing, Large Units, Military Veterans and Economic Diversity
• AHP Subsidy per Unit (SPU) (7.5 points maximum)
• Community Stability (7.5 points maximum)
Member’s Role

• **Member’s Role**
  • Submit AHP application
  • Member Financial Participation - may have a financial commitment to the project
  • Disbursements of AHP funds to the project
  • Assist in attaining and maintaining project compliance
Resources

- Website: www.fhlbtopeka.com/ahp
- 2018 AHP Implementation Plan
- Mortgage Revenue Bond and HUD Income Limits
- Watch the website for training opportunities
- AHP Staff
  - Mike Borcher, Manager – mike.borcher@fhlbtopeka.com or 785.478.8057
  - Eric Degenhardt - eric.degenhardt@fhlbtopeka.com or 785.478.8061
  - John Gary – john.gary@fhlbtopeka.com or 785.478.8066
  - Savanna Gonzalez – savanna.gonzalez@fhlbtopeka.com or 785.478.8070
  - Joan Lickteig – joan.lickteig@fhlbtopeka.com or 785.478.8065
  - Kelly Meerpohl – kelly.meerpohl@fhlbtopeka.com or 785.478.8067
  - Alyse Mioni – alyse.mioni@fhlbtopeka.com or 785.478.8059
  - Dusty Nitcher – dusty.nitcher@fhlbtopeka.com or 785.478.8060
  - Erika Skinner – erika.skinner@fhlbtopeka.com or 785.478.8062
- Or call HCD’s toll free number: 866.571.8155
Homeownership Set-aside Program (HSP)

- Down payment
- Closing costs
- Rehabilitation assistance
- Households purchasing or constructing homes in Colorado, Kansas, Nebraska or Oklahoma.
- Grant with a 5 year retention period.
- A partnership with FHLBank members.
HSP - Basics for 2019

- Accessed by FHLBank members via HSP Online
- Up to $5,000 per household
- Member limit of $25,000 per month; limit will be evaluated after July 1, 2019 (limit is not an allocation)
- Grant funds are provided by member at closing; member is reimbursed by FHLBank after approval of disbursement request
# NEBRASKA UTILIZATION OF HSP HISTORY

<table>
<thead>
<tr>
<th>YEAR</th>
<th>AMOUNT</th>
<th>Total HSP Funds Available</th>
<th>Percentage of HSP Funds used in NE</th>
</tr>
</thead>
<tbody>
<tr>
<td>2018</td>
<td>$2,608,656.67</td>
<td>$7,768,145.41</td>
<td>33.58%</td>
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<tr>
<td>2017</td>
<td>$2,287,636.67</td>
<td>$6,097,222.82</td>
<td>37.52%</td>
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<tr>
<td>2016</td>
<td>$1,455,683.79</td>
<td>$4,250,907.24</td>
<td>34.24%</td>
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</tbody>
</table>
HSP - Minimum Eligibility Requirements

• First-time Homebuyer
• Income—household income must be at or below 80% AMI
• Household includes all persons living in the house. All income earned by occupants age 18 and over is included.
• Households requiring non-occupying co-borrowers and co-owners are not eligible.
• Minimum Down Payment - $500
• Homebuyer Education Requirement
First time homebuyer

- **As defined in 2019 AHP Implementation Plan**
  
  At least one household member, not a minor child, who does not own and is not an investor in another residence, and who wishes to purchase a home that will be his/her primary residence. In addition, the homebuyer must meet any one of the following criteria:

  1. Have had no ownership in a residence during the prior three-year period ending on the date of purchase of the property;
  2. Is divorced but has only owned a residence with a former spouse;
  3. Have only owned a residence not permanently affixed to a permanent foundation in accordance with applicable Regulations;
  4. Has only owned a property that was not in compliance with State, local or model building codes and which cannot be brought into compliance for less than the cost of constructing a permanent structure; or
  5. Is a household displaced as a result of a Federally Declared Disaster (as designated by FEMA) within 24 months of the reservation date.
Know the homebuyer’s property

• Purchase of a residence in Colorado, Kansas, Nebraska, Oklahoma
• If the purchase includes rehabilitation
  • Eligible Rehabilitation/Repair Costs - AHP subsidy may be used to pay for rehabilitation including, but not limited to: accessibility, roof, electrical, plumbing, sewer, mechanical, foundation or other structural, windows, doors, floor coverings, wall repair, paint, or hazardous material remediation.
  • Ineligible Rehabilitation/Repair Costs – AHP subsidy cannot be used to pay for rehabilitation (unless specified above) including, but not limited to: construction/repairs of a detached garage or outbuilding, payments directly to the household for repair labor, luxury items (i.e. landscaping, hot tubs, swimming pools).
• The property can be a house, condominium, cooperative housing unit, or manufactured housing to be used as the household’s primary residence.
• A reservation is made for a specific homebuyer and a specific property address. If the sale does not occur, the reservation is withdrawn. Reservations are not transferred to other homebuyers or to other property.
Critical Dates

• **Start**
  - January 1 — Members submit Registration Agreements (how members register to participate in HSP)
  - March 4 — Members submit Reservations and Income Calculation Worksheet and income docs

• **Finish**
  - November 30 — last day for Members to submit Reservations
  - Disbursement requests must be submitted by the member to FHLBank within 90 days of reservation approval.
HSP Webinars

- HSP tutorial videos available on HSP page of FHLBank Topeka website
  https://www.fhlbtopeka.com/community-programs-grant-programs-homeownership-set-aside-program-training
- Overview
- Income Calculations
Resources

• Website: www.fhlbtopeka.com/hsp
• 2019 AHP Implementation Plan
• Mortgage Revenue Bond and HUD Income Limits
• Tutorials available on YouTube
• AHP Staff
  • Mike Borcher, Manager – mike.borcher@fhlbtopeka.com or 785.478.8057
  • Jessica Puvogel, HCD Coordinator, HSP – jessica.puvogel@fhlbtopeka.com or 785.478.8064
• Or call HCD’s toll free number: 866.571.8155