FHLBank of Atlanta

AHP and CIP Resources for Tax Credit Development

FHLBank® ATLANTA
A FEDERAL HOME LOAN BANK

What you'll take away from this session:

- Become Familiar with the FHLBank Atlanta
- Learn About the Affordable Housing Program (AHP)
- Learn About the Community Investment Program (CIP)
- See How AHP and CIP are Compatible with LIHTC

FHLBank ATLANTA
A FEDERAL HOME LOAN BANK

Today's Discussion

- FHLBank Atlanta – Background Information
- Affordable Housing Program (AHP) Overview
- Community Investment Program (CIP) Overview
- How AHP and CIP are Compatible with LIHTC
- Next Steps
- Questions

FHLBank® ATLANTA
A FEDERAL HOME LOAN BANK

FHLBank Atlanta

FHLBank Atlanta is one of 12 district banks in the Federal Home Loan Bank System

The FHLBanks are government-sponsored enterprises, created by the Federal Home Loan Bank Act of 1932

The Bank provides competitively priced funding, community development capital, and other banking services to its member financial institutions

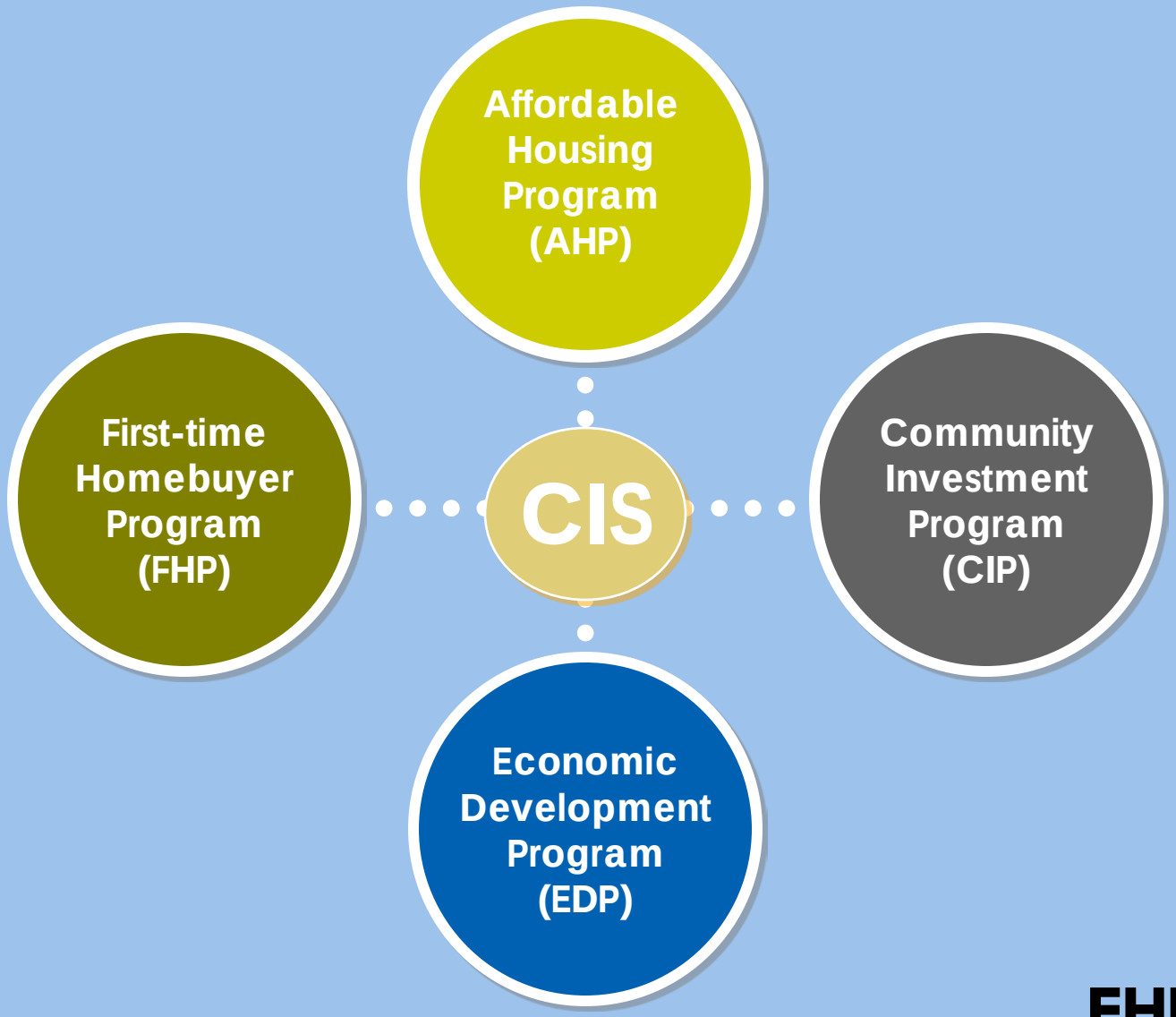
FHLBank Atlanta

The Bank is a cooperative financial institution, owned by its members

Members include commercial banks, savings and loan institutions, credit unions, and insurance companies

FHLBank Atlanta's district comprises Alabama, Florida, Georgia, Maryland, North Carolina, South Carolina, Virginia, and the District of Columbia

Community Investment Services



FHLBank® ATLANTA
A FEDERAL HOME LOAN BANK

Today's Discussion

- FHLBank Atlanta – Background Information
- Affordable Housing Program (AHP) Overview
- Community Investment Program (CIP) Overview
- How AHP and CIP are Compatible with LIHTC
- Next Steps
- Questions

FHLBank® ATLANTA
A FEDERAL HOME LOAN BANK

Overview of AHP

Private Funding with a Public Purpose – A Community Dividend

- Funding to create rental and home ownership opportunities for very low-, low-, and moderate-income households
- Funded with 10 percent of FHLBank Atlanta's annual net income
- Beneficiaries
  - Residents at or below 80 percent of Area Median Income (AMI)
- Application Process
  - Competitive funding round once a year
- Ways to access funding
  - Direct subsidy (forgivable loan)
  - Subsidized advance

FHLBank® ATLANTA
A FEDERAL HOME LOAN BANK

Overview of AHP

AHP is a Flexible Resource

- Used to finance residential projects
  - New construction or rehabilitation
- Acquisition
- Permanent financing
- Down-payment and closing-cost assistance
- Lease / purchase
- Cannot be combined with First-time Homebuyer Program (FHP)

FHLBank® ATLANTA
A FEDERAL HOME LOAN BANK

AHP – Value to Members

Example

Woods at Yorktown Apartments- Yorktown, VA

Rehabilitation of a former U. S. Navy housing complex into 118 units of modern, affordable rental homes for very low-income families living in Yorktown

Member: First National Bank, Christiansburg
Sponsor: Community Housing Partners Corporation
AHP Direct Subsidy: $354,000 for 118 units

FHLBank ATLANTA
A FEDERAL HOME LOAN BANK

AHP – Value to Members

Example

BEFORE

AFTER

FHLBank ATLANTA
A FEDERAL HOME LOAN BANK

Example

Woods at Yorktown Project Financing

Source	Type	Amount
First National Bank	**AHP Direct Subsidy**	**$ 354,000**
LIHTC	Equity	4,506,646
VHDA Bond	Loan	1,450,000
VHDA Housing Fund	Loan	750,000
Owner Equity	Equity	142,813
Total Development Costs		$ 7,203,459

FHLBank ATLANTA
A FEDERAL HOME LOAN BANK

Registration for Member Banks

- **Member not registered to use FHLBAccess®**
  - Call (800) 536-9650 – option 7
  - One-time registration
  - Obtain a Bank-issued "master" User ID and Password
  - Contact your "remote administrator"

- **Internet Browser Software Requirements**
  - Must use Internet Explorer – Version 7.0 or higher

Registration for Sponsors/Developers

- **Log on to FHLBank Atlanta website to register: www.fhlbatl.com**
  - One-time registration
  - Obtain a Bank-issued User ID and Password
  - Deadline to register is July 10, 2009

- **Internet Browser Software Requirements**
  - Must use Internet Explorer – Version 7.0 or higher

FHLBank ATLANTA
A FEDERAL HOME LOAN BANK

Registration Process

FHLBank ATLANTA
A FEDERAL HOME LOAN BANK

Login | Search

- Financial Services
- Community Programs
  - Affordable Housing
  - Sponsor Registration
  - First-time Homebuyer
  - Community Investment
  - Economic Development
  - Member Directory
  - Community Support
- Investor Relations
- About the Bank
- Documents & Forms
- Contact

Affordable Housing Program - FHLBAccess

FHLBank Atlanta continues to enhance one of the most exciting developments in our Affordable Housing Program (AHP) -- FHLBAccess®.

The Bank requires that all AHP sponsors sign up for FHLBAccess by first registering with us and then executing the appropriate legal agreements necessary to obtain a User ID and Password. Following the submission of your online registration, you will receive an e-mail that contains a link to the legal documents.

Registration is critical because all AHP sponsors as well as member financial institutions that are active in the program are required to use FHLBAccess to participate in AHP. All organizations with approved AHP projects as well as those applying for new projects need to register. Please follow these steps to sign up:

1. Register *(and await confirmation via e-mail.)*
2. Complete and sign the Sponsor Access Agreement.
3. Receive a User ID and Password from FHLBank Atlanta.

For a more detailed explanation of the process >>

Upcoming Events

Qualifying Collateral Report Process
Atlanta, GA

Affordable Housing Program – How to Apply (Rental Projects)
Atlanta, GA

Affordable Housing Program – How to Apply (Ownership Projects)
Atlanta, GA

View All >

FHLBank ATLANTA
A FEDERAL HOME LOAN BANK

AHP Application Process

- **July 1** – Application round opens
- **July 10** – Registration Deadline for sponsors
- **July 31** – Application Deadline
- **August to November** – Application Underwriting
- **December** – FHLBank Atlanta Board approval
- **First Quarter 2010** – Receive welcome packet from CIS

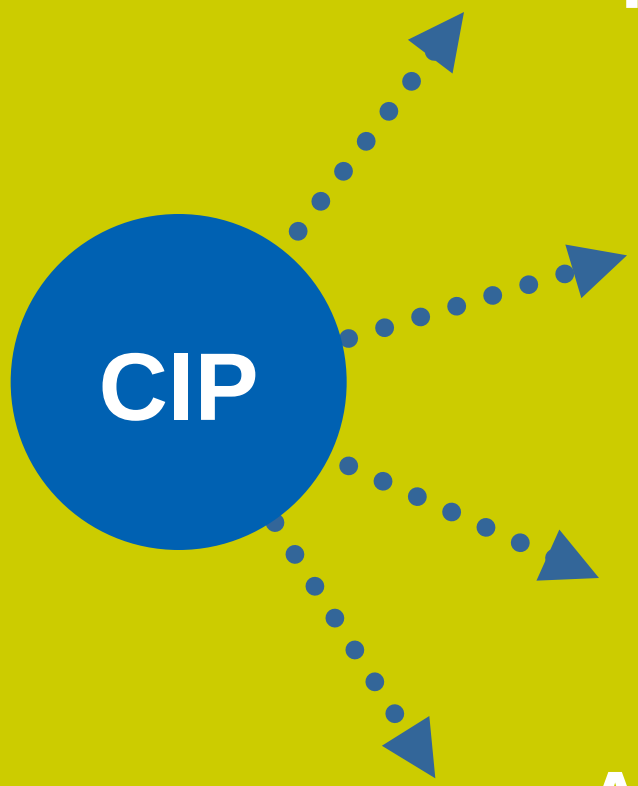
FHLBank® ATLANTA
A FEDERAL HOME LOAN BANK

Today's Discussion

- FHLBank Atlanta – Background Information
- Affordable Housing Program (AHP) Overview
- Community Investment Program (CIP) Overview
- How AHP and CIP are Compatible with LIHTC
- Next Steps
- Questions

FHLBank® ATLANTA
A FEDERAL HOME LOAN BANK

Community Investment Program



Special Purpose Advances

exclusively for members

Discounted Rate

10 basis points lower than standard advances

Beneficiaries

Residents at or below 115% of Area Median Income (AMI)

Application Process

(Non-competitive) application
No deadline

FHLBank ATLANTA
A FEDERAL HOME LOAN BANK

CIP Overview

CIP is a Flexible Resource

- Supports a broad range of housing development projects
- Supports community development revitalization activities
- Fast, easy application process
- Available at anytime
- Minimal reporting requirements
- No predetermined maximum amount
- Can be used to pool existing loans
- Can be used with FHP or AHP

FHLBank® ATLANTA
A FEDERAL HOME LOAN BANK

Today's Discussion

- FHLBank Atlanta – Background Information
- Affordable Housing Program (AHP) Overview
- Community Investment Program (CIP) Overview
- How AHP and CIP are Compatible with LIHTC
- Next Steps
- Questions

FHLBank® ATLANTA
A FEDERAL HOME LOAN BANK

Tips for Leveraging Both AHP and CIP

Compatibility with LIHTC Financing

- Can be used with other grants, tax credits and bond financing
- Beneficiaries
  - AHP – Residents at or below 80 percent of AMI
  - CIP – Residents at or below 115 percent of AMI
- FHLBank Atlanta defers to the State HFA for long-term monitoring
- AHP is forgivable after 15 years
- CIP is available anytime

FHLBank® ATLANTA
A FEDERAL HOME LOAN BANK

Today's Discussion

- FHLBank Atlanta – Background Information
- Affordable Housing Program (AHP) Overview
- Community Investment Program (CIP) Overview
- How AHP and CIP are Compatible with LIHTC
- Next Steps
- Questions

FHLBank® ATLANTA
A FEDERAL HOME LOAN BANK

Next Steps

Let's Connect!

Professionals within our members institutions most aware of how to take advantage of CIS products and services:

- *Business Development executives and staff*
- *Emerging Market executives and staff*
- *CRA executive and staff*
- *Community Development Lending executives and staff*
- *Sales and Marketing executives and staff*
- *Commercial and Residential loan officers*

FHLBank® ATLANTA
A FEDERAL HOME LOAN BANK

Today's Discussion

- FHLBank Atlanta – Background Information
- Affordable Housing Program (AHP) Overview
- Community Investment Program (CIP) Overview
- How AHP and CIP are Compatible with LIHTC
- Next Steps
- Questions

FHLBank® ATLANTA
A FEDERAL HOME LOAN BANK

Do You Have Any Questions?

We are happy to help

FHLBank ATLANTA
A FEDERAL HOME LOAN BANK