Affordable Housing Program

ShaDonte Butler
Community Investment Business Development Manager

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FHLBank System Overview

- Support housing finance and community investment
- Cooperative
  - Commercial banks
  - Credit unions
  - Insurance companies
  - CDFIs
- Housing Associates
  - State and local housing finance agencies
- Each FHLBank is owned and operated independently
- Federal Housing Finance Agency regulates the FHLBank system
FHLBanks Play a Key Role in Financial Services

Total Assets: $1.06 trillion*
Total Advances: $705.2 billion*
Net Income: $3.4 billion*

*as of December 31, 2016

FHLBank System

Provide wholesale products and services to approximately 7,000 member financial institutions

Increase and expand the availability of funds for residential mortgage and community development lending nationwide
FHLBank Atlanta – Financial Highlights
June 30, 2017

- Total Assets: $133.7 billion
- Total Advances (loans): $91.6 billion
- Net Income: $86 million
- Retained Earnings: $1.9 billion
- Second Quarter 2017 Dividend: 4.91%
- Total Membership: 883 institutions
FHLBank Atlanta Shareholders
As of June 30, 2017

- 212 Credit Unions
- 7 CDFIs
- 29 Insurance Companies
- 81 Savings Banks
- 554 Commercial Banks

883 Total Shareholders
The Affordable Housing Program (AHP) - Atlanta

- Real estate finance “equity” enables residential development and/or rehabilitation
- Enable Shareholders to grow business, reduce transactional risk and achieve CRA regulatory objectives
- Capitalized via 10% of Net Earnings

As of May 2017

- $734.9 million since 1990
  - 116,276 units
  - Leverage ratio = 1:14

- $183.8 million since 1997
  - 27,002 units
  - Leverage ratio = 1:21

- $7.8 billion
  - Low-cost CICA advances for community economic & affordable housing
**What is the Affordable Housing Program?**

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### AHP Competitive Program
- Multi-family Rental; Supportive Housing; Single-Family
- Up to $500,000
- Competitive application
- Each FHLBank has its own scoring criteria
- Accessed only via member

### AHP Set-Aside Program
- Home Purchase or Rehabilitation
- $5,000-$15,000 per household
- Down payment, closing cost and principal reduction
- Generally first come/first served
- Accessed only via member

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**Developer/Builder driven**
- New construction
- Rehabilitation
- Multifamily
- Single-family
- Acquisition
- Construction and/or permanent financing

**Mortgage driven (9 products)**
- First-time homebuyer
- Community Partners
- Veterans Purchase
- Veterans Rehabilitation
- Community Rebuild and Restore (Disaster Recovery)
What is the AHP Competitive Program?
The Value of Atlanta’s AHP

Enabling Shareholders to Extend Credit and Reduce Loan Risk

Rental Transaction Types

- Low-Income Housing Tax Credit (LIHTC)
- Non-LIHTC multi-family
- Mixed-use
- Supportive Housing

Reduces project debt service

- Which thereby permits a reduction in project rents to enable affordability

Woods at Yorktown | Yorktown, VA
AHP Investment: $354,000

Phelps Place | Waynesboro, GA
AHP Investment: $500,000
How Often Do We Offer the AHP Competitive Program?

FHLBank Atlanta AHP Competitive

3-Year Application Schedule

- **2017**
  - Open: January
  - Deadline: February
  - Award Decision: May

- **2018**
  - Open: June
  - Deadline: July
  - Award Decision: October

- **2019**
  - Open: March
  - Deadline: April
  - Award Decision: July
FHLBank Atlanta’s AHP Set Aside Products

**Purchase Products**
- First-time Homebuyer Product
- Community Partners Product
- Foreclosure Recovery Product
- Veterans Purchase Product
- Returning Veterans Purchase Product

**Rehabilitation Products**
- Veterans Rehabilitation Product
- Returning Veterans Rehabilitation Product
- Community Rebuild and Restore

**Structured Partnership Products**
FHLBank Atlanta's homeownership products provide matching funds for the purchase or rehabilitation of a home

- Can be used to reduce principal and assist in down payments, closing costs, and/or rehabilitation costs
- Eligible homebuyers(s)/homeowner(s) include low- and moderate-income households

Funds are provided to participating FHLBank Atlanta shareholders on a first-come, first-served basis
First-time Homebuyer Product

$126.1 million
AHP Investment

$2.8 billion
Total Mortgages

21,909 Families
Purchased their First Home

Up to $5,000 for first-time homebuyers

As of May 2017
Affordable Housing Products

Community Partners Product

$6.1 million
AHP Investment

$135 million
Total Mortgages

836 Families Purchased Their Home

As of May 2017

Up to $7,500 for current and retired law enforcement officers, educators, firefighters, health care workers, and other first responders.
Affordable Housing Products

Veterans Purchase Product

$2.5 million AHP Investment

$47.5 million Total Mortgages

299 Military Families Purchased their Home

As of May 2017

Up to $10,000 for veterans and active-duty military personnel
Rehabilitation Products

- Up to $15,000 for energy efficiency, weatherization, and accessibility improvements of an owner-occupied home.
- Eligible improvements include exterior ramps and sidewalks, bathroom and kitchen renovations, door widening, floor replacement, exterior doors, heating and air conditioning systems, insulation, roof, windows, low-flow plumbing fixtures, and more.

- Facilitates the recovery efforts of shareholders in FEMA designated disaster areas within FHLBank Atlanta’s district (AL, FL, GA, MD, NC, SC, VA, and DC)
- Up to $10,000 to correct defects or deficiencies, resulting from the identified disaster, that impacts the habitability of the of the property not associated with repairs covered under an insurance claim
## Ownership Example
### Ability for Homebuyer to Purchase a Home

#### Community Partners Product

<table>
<thead>
<tr>
<th>Home Sales Price</th>
<th>$200,000</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Without AHP:</strong></td>
<td></td>
</tr>
<tr>
<td>Member First Mortgage</td>
<td>$193,000</td>
</tr>
<tr>
<td>Homebuyer Contribution</td>
<td>$7,000</td>
</tr>
<tr>
<td>Seller Contribution</td>
<td>$6,000</td>
</tr>
<tr>
<td>Closing Costs</td>
<td>$6,000</td>
</tr>
<tr>
<td><strong>Member LTV without AHP</strong></td>
<td>96.5%</td>
</tr>
<tr>
<td>(First Mortgage/Sales Price)</td>
<td></td>
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</tbody>
</table>

| **With AHP:** |         |
| Member First Mortgage | $185,500 |
| Homebuyer Contribution | $7,000 |
| Seller Contribution | $6,000 |
| Closing Costs | $6,000 |
| **AHP** (4:1 match to homebuyer contribution) | $7,500 |
| **Member LTV with AHP** | 92.8% |
| (First Mortgage/Sales Price) |         |

#### Returning Veterans Purchase Product

<table>
<thead>
<tr>
<th>Home Sales Price</th>
<th>$160,000</th>
</tr>
</thead>
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<tr>
<td><strong>Without AHP:</strong></td>
<td></td>
</tr>
<tr>
<td>Member First Mortgage</td>
<td>$160,000</td>
</tr>
<tr>
<td>Homebuyer Contribution</td>
<td>$0</td>
</tr>
<tr>
<td>State Housing Grant</td>
<td>$4,800</td>
</tr>
<tr>
<td>Closing Costs</td>
<td>$4,800</td>
</tr>
<tr>
<td><strong>Member LTV without AHP</strong></td>
<td>100.0%</td>
</tr>
<tr>
<td>(First Mortgage/Sales Price)</td>
<td></td>
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</tbody>
</table>

| **With AHP:** |         |
| Member First Mortgage | $150,000 |
| Homebuyer Contribution | $0 |
| State Housing Grant | $4,800 |
| Closing Costs | $4,800 |
| **AHP** (No matching is required for AHP Veterans products) | $10,000 |
| **Member LTV with AHP** | 93.8% |
| (First Mortgage/Sales Price) |         |
## Contact Us

### Relationship Management

<table>
<thead>
<tr>
<th>FHLBank Atlanta Staff</th>
<th>Title</th>
<th>Contact Info</th>
</tr>
</thead>
<tbody>
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