



# 2017 EQUITY BUILDER PROGRAM

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December 21, 2016

## *PROGRAM FEATURES AND NOTICE OF CHANGES*

The Federal Home Loan Bank of Boston announces the EBP application, enrollment, and disbursement processes for 2017.

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### Member Program and Household Enrollment Cap - Adjusted for 2017

- The maximum enrollment cap is set at \$110,000 per member, with no guarantee of funds.
- Members may provide EBP funds as a grant in an amount up to a maximum of \$11,000 per eligible household.

### Program Guidelines

- Funds will be available on a first-come, first-served, homebuyer-by-homebuyer basis.
- Funds will be reserved upon online submission of the homebuyer's information, pending the Bank's approval of the enrollment.
- The first one-third of each member's enrollments must be used to assist first-time homebuyers.
- EBP subsidy funds can be used to pay for down payment, closing costs, counseling, or rehabilitation assistance in connection with the household's purchase of a primary residence.
- The purchase of foreclosed homes is an eligible use of EBP funds.
- EBP funds may be used to assist homebuyers earning no more than 80 percent of the area median income.
- All members will continue to use the Bank's online system when submitting homebuyer enrollments and requesting disbursements

### Updated Program Guidelines

- The Bank requests that Members allow up to 20 business days for approval and funding of EBP disbursements once all final documents have been received and reviewed by the HCI department.
- Members will be limited to six user ID(s) and password(s) when accessing the EBP.
- Income eligible households approved under the EBP cannot receive AHP subsidy from any other district FHLB Bank set-aside program.
- Members are required, at all times, to use the bar-coded coversheet when submitting documents for review by the Bank.

### Member Application Periods

In 2017, the Bank will offer members two opportunities to apply for the EBP.

#### First Application Period

The Bank will accept online applications from members beginning **Monday, January 23 through 5:00 p.m. on Friday, March 3, 2017.**

Members must submit applications through the "Housing & Economic Growth" section of the Bank's website or through the following link: <https://housing.fhlbboston.com/ebp>. All supporting documentation must be uploaded, or can be faxed using the Bank-provided cover sheet, no later than 5:00 p.m. on March 3, 2017.

*Members will be notified of approval on March 15, 2017.*

#### Second Application Period

The Bank will accept online applications from members not previously approved beginning **Friday, May 5 through 5:00 p.m. on Friday, May 26, 2017.**

Members must submit applications through the "Housing & Economic Growth" section of the Bank's website or through the following link: <https://housing.fhlbboston.com/ebp>. All supporting documentation must be uploaded, or can be faxed using the Bank-provided cover sheet, no later than 5:00 p.m. on May 26.

*Members will be notified of approval on June 7, 2017.*

Members that are approved for participation during the first application period do not need to re-apply during the second application period and are eligible for available funding throughout the entire round.

## EBP Annual Funding for 2017

### Four Funding Periods

In 2017, the amount allocated to the EBP pool will be divided among four funding periods:

- (1) 35 percent will be released on **March 29, 2017**
- (2) 25 percent will be released on **April 26, 2017**
- (3) 20 percent will be released on **May 24, 2017**
- (4) 20 percent will be released on **June 21, 2017**

An application will be deemed ineligible if it is incomplete, does not meet all of the program's eligibility requirements, or does not provide sufficient information to make a reasonable determination of eligibility with the program's general requirements.

During the application process, you will be requested to provide two individual contact names dedicated to the Equity Builder Program. It is critical to identify who is best suited to answer questions, receive email notifications, and subsidy updates throughout the round. It is the Bank's recommendation to assign a coordinator to the program to ensure that all staff members receive training and understand the income calculation requirements necessary for homebuyer approval.

### Training Dates and Requirements

Once you have received notification of your enrollment cap, you are **required** to register and attend the Bank's free online training sessions. The enrollment and the disbursement process will be presented separately. Each training session will guide your staff through the specific topic and provide updated programs changes for 2017. The Final Steps: Requesting the Disbursement training will review the post-closing responsibilities required by both the member and the homebuyer. Best practice would be to have multiple staff members attend.

#### **PLEASE NOTE:**

- Enrollment training must be completed by the member prior to reserving Equity Builder Program Funds.
- Disbursement training must be completed by the member prior to requesting disbursement of funds.

**The Bank will host training sessions regarding the EBP application and enrollment/disbursement processes. Register online at [www.fhlbboston.com/events](http://www.fhlbboston.com/events).**

#### Online Application Training Sessions

- Tuesday, **January 10**,
- Tuesday, **January 31**, or
- Thursday, **February 9**

#### Next Steps Training Sessions: Enrolling Homebuyers

*Required for all approved members*

- Friday, **March 17**, or
- Tuesday, **March 21** (morning and afternoon session)

#### Final Steps Training Sessions: Requesting the Disbursement

*Required for all approved members*

- Tuesday, **March 28**,
- Thursday, **March 30**, or
- Tuesday, **April 4**

#### Second Application Period Training:

*Look for an announcement in April of 2017.*

## Documents updated for 2017

### Homebuyer Information, Household Members and Income Worksheet, and Authorization to Release Disclosure

On an annual basis this document is reviewed and enhanced to meet ongoing industry changes.

### Income Calculation Guidelines

The Bank will be reviewing and updating the income calculations and documents required for the EBP in an effort to align with other affordable housing program funders.

### EBP Retention Mortgages and Notes

Because the EBP retention mortgages and notes may change over time, please ensure that for each transaction your institution is using the correct and most current EBP mortgages and notes published online at [www.fhlbboston.com/communitydevelopment/formsandapplications/03\\_04\\_05\\_ebp\\_forms.jsp](http://www.fhlbboston.com/communitydevelopment/formsandapplications/03_04_05_ebp_forms.jsp).

For more detailed information, please see Attachment D of the 2017 Affordable Housing Program Implementation Plan available on the Bank's web site as well as the online documentation available when you complete the EBP Application, Homebuyer Enrollment, or Disbursement Request.

## Questions?

Additional information is available at [www.fhlbboston.com/communitydevelopment/ebp](http://www.fhlbboston.com/communitydevelopment/ebp)

## Contacts

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