

# Loan Officer Training: DPA Program 101

Equity Builder Program, Housing Our Workforce, and Lift Up Homeownership



# This Training Will Cover

- Program Overviews & Comparisons
- Funding Dates
- Critical Role for LO
- Household Eligibility Requirements
- Income Requirements & Calculations
- More Best Practices, Tips, & Tricks
- Contacts and Resources





# Suite of Homeownership Grants

## Equity Builder Program (EBP)

- Households with incomes at or below 80% of area median income

## Housing Our Workforce (HOW)

- Households with incomes above 80% and up to 120% of area median income

## Lift Up Homeownership (LUH)

- Households earning up to 120% of area median income who are first-generation buyers

# Eligible Grant Uses

- Down payment
- Closing costs including:
  - Prepaid and escrows
  - Interest rate buydown up to 2 points\*
- Home purchase within New England
  - 1- to 4-family homes, townhouses, condominiums, cooperative housing units and manufactured housing

\* Cannot pair interest rate buydown/points with Mortgage Partnership Finance® (MPF®) Permanent Rate Buydown product offered by FHLBank Boston. Otherwise, a member who uses one of the programs to assist a buyer with down payment or closing costs can combine the program with the Permanent Rate Buydown product.





# Success In Numbers

Mortgage Details	Mortgage before LUH	Mortgage + <u>LUH</u>
Purchase Price	\$375,000	\$375,000
Buyers' Down Payment	\$7,000	\$7,000
LUH Grant	-	<b>\$50,000</b>
Other Assistance	\$10,000 MSHA Advantage Grant	\$10,000 MSHA Advantage Grant
Loan Amount	\$300,000	\$250,000
Interest Rate	4.95%	4.95%
Monthly P&I	\$1,601.31	\$1,334.42
Monthly Taxes	\$303.56	\$303.56
Monthly Insurance	\$70.89	\$70.89
<b>Total Mortgage Expenses</b>	<b>\$1,975.76</b>	<b>\$1,779.76</b>



**Savings = \$196/per month**  
**\$70,560 over 30 years**

# Let's Compare the Programs

Parameters	EBP	HOW	LUH
Income Limits	<= 80% AMI	> 80% to <=120%	<= 120% AMI
Maximum Grant per Household	Up to \$32,099	Up to \$25,000	Up to \$40,000
Maximum Member Limit/Cap*	Up to \$320,000	Up to \$250,000	Up to \$400,000
Minimum Down Payment (homebuyer's own funds)	\$500	\$2,000	\$1,000
Maximum Asset Requirement**	No	Yes	Yes
<b>Use of Grant Funds</b>			
Down Payment	Yes	Yes	Yes
Customary Closing Costs (including prepaids and escrows)	Yes	Yes	Yes
Up to 2 points toward interest rate reduction	Yes	Yes	Yes
Rehabilitation Assistance	Yes	No	No
Purchase property must be an owner-occupied primary residence?	Yes	Yes	Yes
First-time Homebuyer Requirement	Yes	<b>Not Required.</b> Homebuyer must sell current primary residence.	Yes
First-Generation Requirement	No	No	Yes
First-time Homebuyer Education and Counseling	Required	Required	Required

\* 2026 Maximum member limits/caps are graduate for each homeownership program. First two funding releases begin at the lower limit and increase up to the maximum on the third release date. Refer to 2026 program procedures for more detailed information

\*\* 2026 Maximum assets for HOW and LUH is \$150,000. Refer to 2026 program procedures for more detailed information.

# 2026 Allocation Schedule

- Each program has its own pool of money
- Funding released twice a month over **three months**
- Funding release schedule:\*

April	1 <sup>st</sup> and 15 <sup>th</sup>
May	1 <sup>st</sup> and 15 <sup>th</sup>
June	2 <sup>nd</sup> and 16 <sup>th</sup>

- Member maximums vary for each program
  - EBP, HOW, **and LUH** have graduated caps
  - Fall out placed back into the general pool



*\*Subject to change at FHLBank Boston's sole discretion.*

# Interviewing Potential Homebuyers



- Review disclosure **with** borrower(s)
  - Verify total occupants to reside in the property
  - Adults are 18 years and older
- Validate income/household against disclosure
- Execute Zero Certification of Income (if applicable)
- Other considerations may include
  - Homebuyer is an employee
  - Non-occupant co-borrowers
  - Full-time students - **NEW FORM!**
  - 50/50 custody

# Full-Time Student & Zero Cert Income



## Full-Time Student Certification

A student is defined as an individual who is not the head of a household\* (18-years or older) and is enrolled either full-time at a high school, institution of higher education, or vocational-technical school to obtain a degree, certificate, or other recognized educational credential.

Please answer the following questions

Question	Yes	No	Initials
Are you a dependent of this household (e.g. live with parent(s)/legal guardian and will reside in the subject property)?			
Are you the head of household, co-head or spouse?*			
Are you enrolled or planning to enroll in an institution noted in the definition above?			
Will you or have you attended school for five months or more this calendar year with full-time student status?			

Under penalty of perjury, I certify that the information presented in this certification is true and accurate to the best of my knowledge. I understand that providing false representations herein constitutes an act of fraud and will lead to cancellation of this housing application.

\_\_\_\_\_  
Signature of Full-Time Student      Printed Name of Full-Time Student      Date

The words "execution," "signed," "signature," and words of like import in this Agreement shall be deemed to include electronic signatures or the keeping of records in electronic form, each of which shall be of the same legal effect, validity or enforceability as a manually executed signature or the use of a paper-based record keeping system, as the case may be, to the extent and as provided for in any applicable law, including, without limitation, Electronic Signatures in Global and National Commerce Act or any other similar state laws based on the Uniform Electronic Transactions Act, and the parties hereto hereby waive any objection to the contrary.

**New Form for 2026!**



## Homeownership Assistance Programs Certification of Zero Income

(To be completed by adult household members, if applicable. This form is utilized for all homeownership-related programs including not but limited to Equity Builder Program, Housing Our Workforce, and Lift Up Homeownership.)

1. I hereby certify that I **do not** individually receive income from any of the following sources:

- a. Wages from employment (including but not limited to commissions, tips, bonuses, overtime);
- b. Income from operation of a business;
- c. Rental income from real or personal property;
- d. Interest or dividends from assets;
- e. Social Security payments, annuities, insurance policies, retirement funds, pensions, or death benefits;
- f. Unemployment or disability payments;
- g. Housing assistance payments;
- h. Periodic allowances such as alimony, child support, or gifts received from persons not living in my household;
- i. Sales from self-employed resources (including but not limited to Lyft, Uber, Instacart, Door Dash, home party sales);
- j. Any other source not named above.

2. I currently have no income of any kind and there is no imminent change expected in my financial status or employment status during the next 12 months.

Under penalty of perjury, I certify that the information presented in this certification is true and accurate to the best of my knowledge. I understand that the information provided in this certification will be used by FHLBank Boston for the specific purpose of determining whether my household is eligible to receive homeownership grant assistance. I understand that any misrepresentations or false or fictitious statements made in this certification, which are used by FHLBank Boston to approve assistance provided to my household, may constitute an act of fraud and may subject me and my household to possible remedies, including without limitation, immediate repayment of any disbursed grant funds.

\_\_\_\_\_  
Signature of Applicant      Printed Name of Applicant      Date

The words "execution," "signed," "signature," and words of like import in this Certification shall be deemed to include electronic signatures or the keeping of records in electronic form, each of which shall be of the same legal effect, validity or enforceability as a manually executed signature or the use of a paper-based record keeping system, as the case may be, to the extent and as provided for in any applicable law, including, without limitation, Electronic Signatures in Global and National Commerce Act or any other similar state laws based on the Uniform Electronic Transactions Act, and the parties hereto hereby waive any objection to the contrary.

Revised January 2026

# First-Time Homebuyer Requirement

## First-Time Homebuyer Certification (Page 8 of disclosure):

- Required for EBP and LUH only
- HUD definition 42 U.S.C. §12704(14)
  - Individual and spouse who have not owned a home during the three-year period prior to purchase
- Exceptions include:
  - Single
  - Displaced homemaker
  - Primary residence not permanently affixed

*First-time Homebuyer Certification*

**If you are first-time homebuyer, please complete the following signature by signing below, I/we acknowledge that we intend to proceed. EBP is for first-time homebuyers only.**

(I/we) will not have held a "present ownership interest" in a principal residence (including a manufactured home permanently affixed to land) at any time during the three-year period immediately preceding the closing of the mortgage loan (excluding a first mortgage loan) in accordance with HUD 42 U.S.C. §12704(14).

Type/Print Borrower Name	Borrower Signature	Date
Type/Print Borrower Name or Adult Party	Borrower or Adult Party Signature	Date
Type/Print Borrower Name or Adult Party	Borrower or Adult Party Signature	Date

# First-Generation Requirement - LUH Only

## First-Gen Self-Certification Form:

- Only one borrower/person on the first mortgage must identify as a “first generation” homebuyer”
- A “first generation” homebuyer must self-certify that either:
  - Their parent(s) and/or legal guardian(s) do not currently own and have not previously owned a home in the United States, **OR**
  - They have aged out of foster care

I, \_\_\_\_\_, state the following information to be true and accurate. I am a **First Generation homebuyer**;

I **do not** currently own a home, nor have I previously owned a home in the United States.

I am a resident of (street) \_\_\_\_\_,  
 (city) \_\_\_\_\_, (state) \_\_\_\_\_,  
 \_\_\_\_\_ (zip code) \_\_\_\_\_.

My parents and/or legal guardian of at least one borrower **does not** currently own a home in the United States and has not previously owned a home in the United States.

**Please indicate the last two physical addresses for your parent(s) for the last 10 years.**

**Parent 1 Full Name:** \_\_\_\_\_  
**Last known Address 1:** \_\_\_\_\_  
**Last known Address 2:** \_\_\_\_\_

**Parent 2 Full Name:** \_\_\_\_\_  
**Last known Address 1:** \_\_\_\_\_  
**Last known Address 2:** \_\_\_\_\_

Or at least one borrower has aged out of foster care (if applicable).

**Homebuyer Signature:** \_\_\_\_\_  
**Certification Statement:**  
 I, the undersigned, hereby certify that I am the borrower identified above. As the borrower identified above, I hereby agree to acknowledge, and certify as follows: (1) I am personally familiar with the information meeting the criteria in the classification definition(s) select above; (2) the information contained in this certification is true, completed, and accurate; (3) I understand that with respect to the first-time homebuyer and/or first-generation homebuyer status, FHLBank Boston reserves the right to require additional documentation and/or information as determined necessary by FHLBank Boston in its sole discretion; (4) I understand that the information provided in this certification will be used by FHLBank Boston for the specific purpose of determining whether my household is eligible to receive assistance through LUH program; and (5) I understand that any misrepresentations or false fictitious statements made in this certification, which are used by FHLBank Boston to approve assistance provided to my household through LUH, may constitute an act of fraud and make me and my household subject to possible remedies, including without limitation immediate repayment of any disbursed LUH funds.

# Critical Role of the Loan Officer

## Expectations:

- Engage with your borrowers and meet them where they are
- Address and clarify misconceptions or lack of awareness among homebuyers regarding down payment assistance
- Explain the mortgage process layered with our programs
- Provide them a realistic timeline about whether a grant is reserved
- Support and guide your borrowers throughout the process

## Responsibilities:

- Review DPA disclosure for accuracy
- Confirm AMI limit by program before reserving funds
- Submit all required income documents listed as a stream/source on disclosure
- Provide P&S or offer with closing date at **15 business days** upon submission date
  - Property address can only change **one time**

# Income Calculation Best Practices

- Determine which AMI limit and program the household qualifies for prior to reserving funds
- Calculate income manually against the system
  - Prospective income
  - Annualized over 12 months
  - Varies from secondary market
- Review income guidelines
  - Provide explanations for unusual scenarios
- Tax transcripts/returns or non-filing evidence required for **all adult household members** - **NEW!**
- System generates [HUD income limits](#) based on data input



# Income Limits

## 2025 HUD Limits

HOW LUH 120% Calculation:  
 $\$82,700 (50\%) \times 2 \times 1.2 = \$198,480$

LUH does not need to exceed 80% like HOW

FY 2025 Income Limits Summary

FY 2025 Income Limit Area	Median Family Income <a href="#">Click for More Detail</a>	FY 2025 Income Limit Category	Persons in Family							
			1	2	3	4	5	6	7	8
<b>Boston-Cambridge-Quincy, MA-NH HUD Metro FMR Area</b>		Very Low (50%) Income Limits (\$) <a href="#">Click for More Detail</a>	57,900	66,200	74,450	<b>82,700</b>	89,350	95,950	102,550	109,200
		Extremely Low Income Limits (\$)* <a href="#">Click for More Detail</a>	34,750	39,700	44,650	<b>49,600</b>	53,600	57,550	61,550	65,500
		Low (80%) Income Limits (\$) <a href="#">Click for More Detail</a>	92,650	105,850	119,100	<b>132,300</b>	142,900	153,500	164,100	174,650

NOTE: **Boston city** is part of the **Boston-Cambridge-Quincy, MA-NH HUD Metro FMR Area**, so all information presented here applies to all of the Boston-Cambridge-Quincy, MA-NH HUD Metro FMR Area. HUD generally uses the Office of Management and Budget (OMB) area definitions in the calculation of income limit program parameters. However, to ensure that program parameters do not vary significantly due to area definition changes, HUD has used custom geographic definitions for the Boston-Cambridge-Quincy, MA-NH HUD Metro FMR Area.

EBP 80% = \$132,300  
 (HOW must exceed \$132,300)

# Common Misconceptions

- A buyer cannot refinance
- A buyer cannot ever sell the property
- A buyer needs to purchase an affordable unit/deed restricted property
- Section 8 voucher program cannot work with our grant programs



# Tips & Tricks



## DO NOT:

- Promise funds to homebuyers prior to receiving enrollment approval
- Only submit an income-eligible homebuyer to **one** of the three programs
- Email multiple HCI team members or [info@fhlbboston.com](mailto:info@fhlbboston.com)



## DO:

- Promote the programs for your benefit and help homebuyers in need
- Queue up homebuyers before funding is released to determine income eligibility
- Send all general inquiries or scenarios to [housing@fhlbboston.com](mailto:housing@fhlbboston.com) or attend our [Office Hours](#)

# Our Team & Helpful Resources



**Livia Bourque**  
VP, HCI Operations Manager



**Sam Juergens**  
HCI Analyst



**Kaitlyn Mulhern**  
Homeownership Programs Manager



**Jack Newton**  
HCI Analyst



**Kevin Ryan**  
HCI Analyst Manager



**Isabel Tapogna**  
HCI Analyst

Please email [housing@fhlbboston.com](mailto:housing@fhlbboston.com) for all program technical assistance

## Review [Website](#) for 2026 Materials:

- ✓ Member QC Checklist
- ✓ Disclosures, Notes, and Mortgages
- ✓ Income Guidelines
- ✓ Program Procedures
- ✓ FAQs

## Technical Assistance Via [YouTube](#):

- ✓ How to request Community Lending Account
- ✓ How to submit member application
- ✓ How to submit enrollment
- ✓ How to request disbursement

# Questions?

