



2021 EQUITY BUILDER PROGRAM AND HOUSING OUR WORKFORCE

December 21, 2020

PROGRAM FEATURES AND NOTICE OF CHANGES

Federal Home Loan Bank of Boston announces the Equity Builder Program (EBP) and Housing Our Workforce (HOW) application, enrollment, and disbursement processes for 2021.

Table of Contents

Overview of EBP and HOW Programs.....	2
Program Updates.....	3
Regulation Updates.....	4
Program Reminders.....	4
Resources and Contacts.....	4

Overview of EBP and HOW

Program Comparison	EBP	HOW
Income Limits	<= 80% AMI	> 80% to <=120%
Maximum Grant per Household	\$15,000	\$10,000 with a 1:1 homebuyer match
Maximum Funds to Member	\$150,000	\$100,000
<i>Use of Grant Funds</i>		
· Down Payment	Yes	Yes
· Closing Costs	Yes	No
· Homebuyer Education & Counseling Fee	Yes	No
· Rehabilitation Assistance	Yes	No
Member Application Period	January 21 – February 25, 2021	January 21 – February 25, 2021
Purchase Price Limit	No	Yes, based on Mortgage Revenue Bond limits
Annual Member Application	Required	Required
Certification of Staff Training	Required	Required
Executed EBP/HOW Disclosure	Required	Required
Purchase property must be an owner-occupied primary residence?	Yes	Yes
First-time homebuyer for first 1/3 enrollments	Required	NOT Required
First-time homebuyer education and counseling	Required	Required
5-year retention mortgage and note	Required	Required
Member concession/incentive to homebuyer	Required	NOT Required
Limited to New England states?	No	Yes
Homebuyer down-payment match requirement?	No	Yes

Program Updates: New for 2021

Member Application Period

In 2021, FHLBank Boston will offer members one opportunity to apply to participate in EBP and HOW:

FHLBank Boston will accept online applications from members beginning **Thursday, January 21 through Thursday, February 25, 2021.**

Members must submit applications for each program through the following link:

<https://housing.fhlbboston.com/>. All supporting documentation must be uploaded no later than **3:00 p.m. on Thursday February 25, 2021.** Members will be notified of application approval the week of **March 5, 2021.**

EBP and HOW Funding Notices

FHLBank Boston will publish 2021 funding periods, including amounts and dates, on its website. The allocation of subsidy funds is at FHLBank Boston's sole discretion based on the current program year's need and member/homebuyer demand and is subject to change.

Training Dates and Certification Requirement

FHLBank Boston will host training sessions on the EBP and HOW application, enrollment, and disbursement processes. Registration information will be posted at <https://www.fhlbboston.com/fhlbank-boston/fhl-events#/> in early January. Each training session will guide the member's staff through either the application, enrollment, or disbursement online process. Training requirements can be completed by appropriate staff either through live webinars or the recorded versions.

First-Time Homebuyer Counseling Requirements

The requirement for homebuyer education and counseling only applies to first-time homebuyers, as defined in FHLBank Boston's AHP Implementation Plan (from 42 U.S.C.8 12704(14)). Please reference the website for the list of approved agencies.

Regulation Updates for 2021

In 2018, the Federal Housing Finance Agency issued a new Affordable Housing Program (AHP) regulation which governs the EBP, 12 CFR 1291. The regulation includes several enhancements to the EBP, which also applies to HOW. The changes, implemented as of January 1, 2020, are as follows:

In the case of a sale, transfer, assignment of title or deed, or refinancing of an EBP- or HOW-assisted home during the five-year retention period, the repayment calculation is now based on net proceeds and household's investment:

- 1) A repayment exception can be made when the property is sold to a low- or moderate-income household, which can now be determined by using a proxy. For more information regarding the proxy determination, please refer to the AHP Implementation Plan.
- 2) FHLBank Boston shall recover the lesser of:
 - a) The AHP subsidy, reduced on a pro rata basis per month until the unit is sold, transferred, or its title or deed transferred, or is refinanced, or;
 - b) The net proceeds, minus the household's investment.
- 3) If FHLBank Boston's EBP or HOW grant repayment calculation results in a repayment of \$2,500 or less, no repayment is required.

Additionally, the new AHP regulation now includes the transfer by deed-in-lieu of foreclosure, an assignment of an FHA first mortgage to HUD, or death of an EBP or HOW grant-assisted homeowner as acceptable events to terminate the subsidy repayment.

Please note, under each of the circumstances outlined above, FHLBank Boston must still be notified to ensure no repayment is required.

EBP and HOW Documents Updated for 2021

Please confirm all staff are using the most current EBP and HOW documents (available on FHLBank Boston's website before enrollments open March 15) and purge all prior 2020 documents. We are unable to accept stale documents from previous years.

Program Reminders

- Funds will be available on a first-come, first-served, homebuyer-by-homebuyer basis.
- Funds will be reserved upon successful online submission of the enrollment.
- The first one-third of each member's EBP enrollments must be used to assist first-time homebuyers. This does not apply to the HOW program.
- Members are responsible for ensuring that all documentation uploaded to the system meets program requirements.
- FHLBank Boston reserves the right to release the funds associated with any submitted enrollment that does not comply with FHLBank Boston's guidelines.

Resources and Contacts

For more information, please contact:

Kaitlyn Mulhern, Homeownership Set-Aside Programs Manager	617-292-9606	kaitlyn.mulhern@fhlbboston.com
Ivette Morillo, HCI Analyst	617-425-9582	ivette.morillo@fhlbboston.com
Kevin Ryan, HCI Analyst	617-292-9646	kevin.ryan@fhlbboston.com
Livia Bourque, Housing Operations Manager	617-292-9607	livia.bourque@fhlbboston.com