

2023 AHP NOTICE OF CHANGES AND INFORMATION

Federal Home Loan Bank of Boston (FHLBank Boston) made several programmatic and technical changes to the Affordable Housing Program (AHP) for the 2023 AHP funding program. The program updates are summarized below.

For full details, instructions, and other information, visit our [website](#) and the [2023 AHP Implementation Plan](#). Contact information for your community investment manager and the entire Housing and Community Investment department is included in this notice. We look forward to working with you.

2023 Application Deadlines

- The AHP funding round opens on Monday, June 5, 2023. Applications are due by 3:00 p.m. on Thursday, July 27, 2023.
- Member financial institutions have a separate extended online application review period. Members must complete the online application review of each of their submitted AHP applications by 3:00 p.m. on Thursday, August 3, 2023.
- Funding awards will be announced by December 29, 2023.
- Applications are submitted through our [Community Lending Portal](#).
- Housing developers, consultants, and lenders new to AHP must first create community lending log-in accounts through the portal linked above.
- We are offering three [online training sessions](#) beginning in May to learn more about this year's changes. Recorded versions of these trainings will also be available through YouTube. The dates are:
 - May 23 – Members' only training
 - June 6 - AHP scoring
 - June 13 – AHP feasibility

Supporting Community Development Comprehensively

FHLBank Boston realizes its mission to support affordable housing and economic growth by offering a full slate of financial products and services to help our member financial institutions invest in their communities. [Our Housing and Community Investment programs](#) support small business lending, mortgage financing, and community development capital. Our Housing and Community Investment department staff will provide the technical assistance you need to effectively access our programs to serve your communities.

2023 AHP Application and Subsidy Limits

- The maximum AHP subsidy per application is \$1,200,000, including both the AHP direct subsidy and the advance interest-rate subsidy.
- The maximum AHP direct subsidy per application is \$850,000.
- The maximum direct subsidy for homeownership is \$75,000 per unit.
- There is no limit to the number of applications that a member may submit. However, the maximum approval limit per member is 25% of the total AHP subsidy available.

AHP Implementation Plan Program Changes

FHLBank Boston has made several policy and procedural changes related to the AHP application and our program operations.

Affordable Housing Program Application

Project Cost and Feasibility Guidelines (2023 AHP Implementation Plan - Attachment A)

- **Acquisition costs.** FHLBank Boston will continue to review documentation, including third party appraisals, to confirm acquisition costs and corresponding need for AHP subsidy.
- **Multi-phase housing developments.** Total development sources and uses, operating income, expenses, and debt service must clearly delineate between phases to fully demonstrate feasibility and need for subsidy of the current phase in the AHP application.
- **FHLBank Boston-required 15-year operating proforma template.** FHLBank Boston will continue to require applicants to use our standardized 15-year operating proforma template. This document ensures that the housing operating income and expenses are entered correctly and consistently, facilitating application review, and reducing application errors. Alternate formats will not be accepted.
- **Market rates and fees.** FHLBank Boston continues to assess the market rate of interest rates and fees charged by members on both construction and permanent financing extended to an AHP rental or homeownership initiative. This review will be expanded to include all forms of private debt. Members will be required to explain interest rates and fees charged outside of the Bank's-determined upper limit for loan maturities – one-, two-, five-, 10-, and 20-year term loans. This does not apply to public subsidy/funding sources.

Effective for the 2023 Application: Members are required to formally review and confirm the loan information, terms, and origination fees on these loans as part of the member application review and submission process.

Affordable Housing Program Scoring Guidelines (2023 AHP Implementation Plan – Attachment B)

- **FHLBank Boston added a five-point (5) In-District location scoring category.** Only applications from the six New England states will receive points in this category.

Consequently, the total points available in the Empowerment category is reduced from eight (8) to six (6) points, and total points available in Community Stability is reduced from 20 to 17 points.

- **Inclusion of minority- and women-owned business enterprises on the housing development team. Two significant changes were made to this category.** First, FHLBank Boston will require a self-certification/affidavit from each eligible diverse development team member. Second,

FHLBank Boston has removed the 1.5-point subcategory for the lead sponsor's diversity/inclusion plan to partner with diverse business enterprises on the development team. Points will only be awarded for the number of eligible development team roles filled by a diverse business enterprise.

- **FHLBank Boston streamlined the documentation requirements for the Community Stability category, replacing the letter documentation requirement in certain subcategories with an electronic certification. Other Community Stability documentation requirements still apply.** Please refer to the 2023 AHP Implementation Plan for more details. All items awarded for points in this category, as with all scoring categories, must be completed to FHLBank Boston standards. Failure to do so will result in noncompliance and full repayment of all disbursed AHP funds, subject to the AHP Regulation and the AHP Implementation Plan.

Reminders:

- **FHLBank Boston will review all project costs, related expenses, and fees in accordance with its AHP Implementation Plan.**
- **Changes to the application cannot be accepted after submission.**
- **FHLBank Boston may compare and review submitted applications with other major funders.**
 - We review applications against our Project Costs and Feasibility guidelines to determine developmental, operational feasibility, and need for subsidy. We expect all data and documentation to be consistent with the information provided to other funders.
 - Applications or future disbursements may be denied or disqualified for unexplained or excessive costs or fees.

You can reach your Community Investment Managers and the Housing and Community Investment Department by phone or email:

Kathleen Amonte, Senior Community Investment Manager • 617-425-9413 • kathleen.amonte@fhlbboston.com

Connecticut, Rhode Island, and Southeastern Massachusetts, including Barnstable, Bristol, Dukes, Nantucket, Norfolk, and Plymouth counties

Tobi Goldberg, Senior Community Investment Manager • 617-292-9653 • tobi.goldberg@fhlbboston.com

Maine and Eastern Massachusetts, including Essex, Middlesex, and Suffolk counties

Michael Pingpank, Senior Community Investment Manager • 617-425-9564 • Michael.pingpank@fhlbboston.com

New Hampshire, Vermont, and Central and Western Massachusetts (Berkshire, Franklin, Hampden, Hampshire, and Worcester counties) as well as communities outside New England

Theo Noell, Affordable Housing Program and Outreach Manager • 617-292-9668 • theodore.noell@fhlbboston.com

Program management, long-term monitoring and reporting, refinancing, completion of AHP affordability obligations, as well as other programmatic and regulatory questions

Ken Willis, Senior Vice President/Director • 617-292-9631 • kenneth.willis@fhlbboston.com

Livia Bourque, Assistant Vice President/HCI Operations Manager • 617-292-9607 • livia.bourque@fhlbboston.com

Paulette Vass, Community Development Advance Manager • 617-292-9792 • paulette.vass@fhlbboston.com

Kevin Ryan, Senior HCI Analyst • 617-292-9646 • kevin.ryan@fhlbboston.com

Kaitlyn Mulhern, Homeownership Set-Aside Programs Manager • 617-292-9606 • kaitlyn.mulhern@fhlbboston.com

Jack Newton, HCI Analyst • 617-425-9561 • jack.newton@fhlbboston.com

Isabel Tapogna, HCI Analyst • 617-425-9582 • isabel.tapogna@fhlbboston.com

Housing and Community Investment Department • 800-357-3452 option 5