



EXHIBIT A

Project Description

- 1. Provide a concise narrative description of the Project in one page or less. Include the following information: the Project type, location, number of units, target population to be served, Project amenities, neighborhood features, a brief list of services to be provided to Project participants, the names of development team members and a list of funding sources.**
- 2. Explain how the AHP subsidy will be used in financing the Project.**

The format of the Project description provided below is an example of an acceptable project description:

The Home Sweet Home Project involves the construction of 25 units of housing targeted to very low- and low-income first-time homebuyers in Anytown, New York. This new housing initiative will serve as a relocation resource for families displaced in recent years as a result of the development of high-cost homes, a shopping center, and an entertainment complex. However, the neighborhood is still blighted by poorly maintained, older housing stock and abandoned structures. This project will significantly add to the revitalization and stabilization of the neighborhood. The project is a collaborative venture between the County of Gotham, non-profit organizations, and private industry.

The County of Gotham has authorized the transfer of County-owned property within a two-block area to the sponsor in order to pursue this affordable housing project, and the surrounding community has provided input on design features and density issues. The development in the project area will create employment opportunities for neighborhood residents.

In order to prepare prospective owners for the responsibilities of home ownership, the sponsor will conduct mandatory homeownership counseling, which will cover credit counseling, budgeting, and all aspects of the homebuying process from applying for a mortgage through closing. This will increase the likelihood of success of the project in future years and help prevent the possibility of foreclosure. The counseling will detail the rights and responsibilities of owning a home with an emphasis on home repair and property maintenance, insurance, fire prevention, security and landscaping. The sponsor will strongly recommend that the residents join a homeowners' association, which will integrate these first-time homebuyers into the community and serve as a sounding board for resident grievances, an arena for dispute resolution, and a voice to public officials and agencies

The FHLBNY AHP subsidy will be used to provide downpayment and closing cost assistance to eligible households. The State of New York Mortgage Agency, County HOME funds, and a Kodak Foundation grant will provide the balance of permanent project financing."

Please also e-mail a separate copy of your response to this particular exhibit directly to malinda.walker@fhlbny.com

EXHIBIT B

Project Development Schedule Timing of Subsidy Use

Attach a detailed schedule or timeline that specifies significant Project milestones and the corresponding dates by which the sponsor expects to complete each milestone.

Significant milestones for projects that involve new construction or the substantial rehabilitation and subsequent re-sale of dwellings to qualified households on the open market would include the following:

- Site acquisition
- Environmental review
- Completion of architectural design and other specifications
- Final site plan approval
- Anticipated commitment dates for proposed financing
- Construction cost bidding process
- Issuance of building permits
- Completion of the construction/rehabilitation of all Project units
- Marketing the Project
- Proposed timeframe to begin and complete the Project household screening and selection process
- Proposed timeframe to begin and complete closings for all Project households
- Commencement of the AHP Subsidy draw down process
- Completion of the AHP Subsidy draw down process

Significant milestones for projects that involve the downpayment and closing cost assistance for home purchases or the rehabilitation of existing owner-occupied dwellings would include the following:

- Marketing the Project
- Proposed timeframe to begin and complete the Project household screening and selection process
- Completion of the rehabilitation of all Project units (if applicable)
- Proposed timeframe to begin and complete renovations or closings for all Project households
- Commencement of the AHP Subsidy draw down process
- Completion of the AHP Subsidy draw down process

When preparing this schedule, assume that the FHLB-NY will issue AHP commitments for projects approved in the Second Round 2008 on or before January 31, 2009.

EXHIBIT C

Financial Documentation

Sponsors of Owner-occupied Projects must complete one or more Worksheets (ID: AHP/APP-104) depending on the project type and include the appropriate worksheet(s) in Exhibit C. See the “Application Instructions and Scoring Criteria For Owner-Occupied Projects” for additional information about each Worksheet.

- a. If AHP funds will be used to assist **existing owner-occupants** in rehabilitating their homes, complete and attach **Worksheet A**.
- b. If AHP funds will be used to provide **down payment and/or closing cost assistance** to income-eligible households who are purchasing existing homes on the open market, complete and attach **Worksheet B**.
- c. If AHP funds will be used to **write down the interest rate** of the mortgages to income-eligible households who are purchasing existing homes on the open market, complete and attach **Worksheet C**.
- d. If the Project involves **the new construction or substantial rehabilitation of site-specific dwellings** (except those using a Habitat-type model involving Sponsor-Provided Financing) for subsequent resale to income-eligible households whether or not AHP funds are to be used during the construction phase of development, complete and attach the following: a. **Worksheet D**; b. **Worksheet E**; c. **Worksheet F**; d. an explanation if any items on the development budget exceed the FHLB-NY’s *AHP Project Financial Feasibility Analysis Guidelines*; e. If the development budget includes capitalized reserves, working capital or escrows, provide an explanation for how the amounts for these line items was determined, indicate if the line items are required by another funding source, and describe the disposition process for any unexpended funds upon construction completion; f. a detailed construction and/or rehabilitation trade payment break down, if available; g. Although homeownership projects generally do not contain commercial space or other non-housing areas, if applicable, attach a statement that no AHP funds will be used to construct and/or rehabilitate such space; h. a description of how the construction cost estimate was determined and the process that will be used to finalize the construction cost estimate. In the description, address the following: Who will or has prepared the plans or scope of work for the Project? What are that person’s qualifications? Indicate the status of the Project’s plans or scope of work. Are they at a preliminary stage or have they been finalized? How will the contractor(s) be selected? If a bidding process will be used, briefly describe that process and indicate if bids will be solicited through formal public bidding or through an informal process. If a bidding process will not be used, describe how the sponsor will assess that the cost estimate is reasonable. Indicate whether the construction costs are subject to review and approval by other funding sources; i. Confirm that Exhibits D through G provide sufficient documentation to demonstrate that the Project is feasible and can be developed within the timeframe specified in Exhibit B; j. If there are related entities involved as both sellers and buyers, the development budget should show that any funds generated from the sale remain in the project to refinance or pay-off any existing debt and/or pay for reasonable and customary development costs; and k. If the project is currently under construction, provide a copy of the most recent Application and Certification for Payment Form (“AIA”) or similar documentation to demonstrate that an amount equal to or greater than the amount of the AHP subsidy request remains to be completed.
- e. If the Project is sponsored by a Habitat for Humanity affiliate or an organization that uses a similar model involving Sponsor-Provided Financing: a. Attach an *itemized* construction period Project development budget using the format provided on **Worksheet D**; b. Attach **Worksheet G**; c. If the deed or mortgage will include “windfall” or similar provisions that require the purchaser to pay a penalty in the event they fail to comply with certain restrictions, attach a draft or an explanation of the provisions; d. an explanation if any items on the development budget exceed the FHLB-NY’s *AHP Project Financial Feasibility Analysis Guidelines*; e. If the development budget includes capitalized reserves, working capital or escrows,

provide an explanation for how the amounts for these line items was determined, indicate if the line items are required by another funding source, and describe the disposition process for any unexpended funds upon construction completion; f. a detailed construction and/or rehabilitation trade payment break down, if available; g. Although homeownership projects generally do not contain commercial space or other non-housing areas, if applicable, attach a statement that no AHP funds will be used to construct and/or rehabilitate such space; h. a description of how the construction cost estimate was determined and the process that will be used to finalize the construction cost estimate. In the description, address the following: Who will or has prepared the plans or scope of work for the Project? What are that person's qualifications? Indicate the status of the Project's plans or scope of work. Are they at a preliminary stage or have they been finalized? How will the contractor(s) be selected? If a bidding process will be used, briefly describe that process and indicate if bids will be solicited through formal public bidding or through an informal process. If a bidding process will not be used, describe how the sponsor will assess that the cost estimate is reasonable. Indicate whether the construction costs are subject to review and approval by other funding sources; i. Confirm that Exhibits D through G provide sufficient documentation to demonstrate that the Project is feasible and can be developed within the timeframe specified in Exhibit B; j. If there are related entities involved as both sellers and buyers, the development budget should show that any funds generated from the sale remain in the project to refinance or pay-off any existing debt and/or pay for reasonable and customary development costs; and k. If the project is currently under construction, provide a copy of the most recent Application and Certification for Payment Form ("AIA") or similar documentation to demonstrate that an amount equal to or greater than the amount of the AHP subsidy request remains to be completed.

EXHIBIT D

Site Control

1. If AHP funds will assist existing owners to rehabilitate their homes, this exhibit is non-applicable and this particular feasibility requirement has been satisfied de facto.
2. If AHP funds will provide mortgage buydown, downpayment and/or closing cost assistance to income-eligible purchasers of existing homes on the open market, furnish copies of realtor listings that verify the availability of a pool of properties in the Project's designated area within an affordable price range to income-eligible households in order to satisfactorily meet this particular feasibility threshold requirement.
3. If the Project (including Habitat-type projects) includes units that will either be newly constructed or substantially rehabilitated and then re-sold to income-eligible households (even if AHP funds will not be used during the construction phase of development), furnish the following:
 - (a) Satisfactory *current*, verifiable evidence from a third-party source (e.g., a copy of an *executed* deed, purchase option, sales agreement, ordinance, etc.) that the sponsor has control over the proposed Project site(s). Please note that all contracts to acquire any proposed Project site(s) must remain in effect through January 31, 2009 and provide reasonable assurance that title will transfer to the primary sponsor no later than January 31, 2010.

Please be advised that in the absence of a formal, executed contract of sale, any materials (such as Realtor's Multiple Listing Service or correspondence from a municipal agency) that merely furnish an inventory of available sites within a particular price range will no longer suffice as acceptable evidence of site control.

- (b) If the Donated Properties section of the AHP Application was completed and if any properties are either being donated privately or by a state or local government agency, include evidence of the property's sales price such as a settlement statement, formal letter from the donor, or other third party documentation that evidences the sales price and terms for the transfer. (A copy of the deed to the property, without the inclusion of closing records, is inadequate evidence with the exception of property(ies) being conveyed by a U.S. federal government agency.)
 - (c) If the sale is not an arms-length transaction no donated property points will be awarded.

EXHIBIT E

Appraisal Reports

This exhibit pertains to projects (including Habitat-type projects) that meet any of the following criteria:

- **The Project contains units that will newly constructed**
- **The Project contains units that will substantially rehabilitated and then re-sold to income-eligible households (even if AHP funds will not be used during the construction phase of development)**
- **The Sponsor or developer will acquire the Project site(s) for a fair market price.**

If applicable, furnish copies of independent report(s) that confirm the “as is” appraised value of the proposed Project site(s).

EXHIBIT F

Required Approvals

- 1. If AHP funds will assist existing owners to rehabilitate their homes, this exhibit is non-applicable and this particular feasibility requirement has been satisfied de facto.**
- 2. If AHP funds will provide mortgage buydown, downpayment and/or closing cost assistance to income-eligible purchasers of existing homes on the open market, this exhibit is non-applicable and this particular feasibility requirement has been satisfied de facto.**
- 3. If the Project (including Habitat-type projects) includes units that will either be newly constructed or substantially rehabilitated and then re-sold to income-eligible households (even if AHP funds will not be used during the construction phase of development), provide *current* documentation for all of the required municipal, state, or federal approvals that have been obtained (e.g., zoning compliance, environmental review, site plan approval, and/or building permits).**

Acceptable forms of evidence include copies of building permits, an *executed* municipal resolution or planning board ordinance, a letter from an authorized representative of the appropriate review agency, preliminary assessment reports, remediation plans, a letter from the Project sponsor's attorney or other similar evidence. A letter from the sponsor's attorney is acceptable only if the letter affirmatively states that the Project conforms to local permitted use ordinances and, as such, no approvals are necessary or details the necessary approvals and that the Project has successfully obtained such approvals. Letters from attorneys that provide negative assurance or express opinions regarding the probability of attaining required approvals are not acceptable.

EXHIBIT G

Other Financing Commitments

- 1. If AHP funds will assist existing owners to rehabilitate their homes, attach evidence (if available) from any other proposed funding sources, including current commitment letters or grant agreements.**
- 2. If AHP funds will provide mortgage buydown, downpayment and/or closing cost assistance to income-eligible purchasers of existing homes on the open market, this exhibit is non-applicable and this particular feasibility requirement has been satisfied de facto.**
- 3. If the Project (excluding Habitat-type projects) includes units that will either be newly constructed or substantially rehabilitated and then re-sold to income-eligible households (even if AHP funds will not be used during the construction phase of development), provide *current* third-party evidence of other financing committed to the Project. Acceptable documentation includes loan commitment letters, grant award letters, funding resolutions, executed grant agreements, executed loan documents, or other similar evidence. Letters of intent or conditional commitment letters do not suffice as loan commitment letters.**
- 4. If the Project is sponsored by a Habitat for Humanity affiliate or an entity using a similar model that involves Sweat Equity, In-Kind Donations, Volunteer Labor and Services and Sponsor Provided Financing, attach third party evidence from foundation and/or grant sources earmarked specifically for this Project. Amounts to be raised from general fundraising or individual contributions that are not specifically designated for the Project sites need not be attached.**

EXHIBIT H

Sponsor Qualifications

1. Describe *in detail* which of the following roles (as previously indicated in the Scoring Criteria section of the AHP Application) that the primary sponsor will fulfill the following roles for the Project:
 - Ownership of the land or building(s) that comprise the Project during the construction and/or rehabilitation phase of development (as evidenced in Exhibit C); and/or
 - Responsibility as the primary contractor and/or construction manager of the properties that shall comprise the Project, including the engagement of rehabilitation specialists or similar professionals who directly oversee the renovation of the Project properties; OR
 - Performing other key roles in the development of the Project that may include qualifying Project households, arranging mortgage financing, conducting credit or homeownership counseling for Project households, participating in the marketing of Project properties, or other functions (to be specified).
2. If applicable, furnish a copy of a determination letter from the U.S. Department of the Treasury designating the primary sponsor as a private, not-for-profit corporation as defined under Section 501(c)(3) or Section 501(c)(4) of the Internal Revenue Code.
3. Furnish an organizational resume that lists other housing projects or programs that the primary sponsor and any co-sponsors of the Project have previously developed or coordinated. This resume should include the names of such projects, respective purpose/type, the corresponding number of units and total development costs, completion dates, target population (such as low income, elderly, homeless, etc.), and roles that the primary sponsor and any co-sponsors of the Project performed.
4. Specify the name(s) and qualifications of the person(s) primarily responsible for coordinating the Project for which the AHP subsidy is requested.
5. Furnish a current list of the Board of Directors, trustees, or appointed agents for each sponsor organization.
6. The FHLB-NY reserves the right to consider sponsors of scattered site, programmatic-type homeownership projects with existing AHP commitment(s) that were issued on behalf of a previous phase of a similar housing-type proposal (e.g., Habitat for Humanity developments, rehabilitation programs for existing owner-occupied dwellings, downpayment/closing cost assistance programs) who have not currently drawn down at least 50% of such AHP commitment(s) as not satisfactorily meeting the criterion for timely usage of AHP subsidy. The FHLB-NY may, in its sole discretion, give such sponsors credit for pending AHP draw downs that are “in process,” provided that such funding requisitions were received at the FHLB-NY no later than March 17, 2007.

EXHIBIT I

Fair Housing

- 1. Provide a statement that the Project will promote fair housing and comply with fair housing laws and regulations. While an affirmative marketing plan may be submitted to show how the Project will be advertised, the exhibit must include a separate explicit statement regarding the promotion of fair housing and compliance with fair housing laws to meet this eligibility requirement.**
- 2. Indicate how the Project will be marketed and advertised, including a list of any minority newspapers, minority-oriented radio and television stations and community groups that have significant contact with the targeted groups that will be used to market the Project. Describe the outreach efforts to members of minority groups; and indicate the protected classes that will be given priority, if any. Detail any special emphasis that will be given to persons and/or organizations who might not otherwise learn about the availability of housing without such outreach efforts, particularly members of minority groups and protected classes. Explain how advertising activities will be conducted to assure that potential buyers or tenants from all racial and ethnic groups in the targeted housing market area are aware of the Project.**
- 3. If available, provide a copy of any advertisements, pamphlets or brochures to be used in the marketing of the Project units.**

EXHIBIT J

Homeless Housing Referral Letters

If the primary sponsor or developer intends to sell at least 20 percent of the total number of Project units to formerly homeless households, provide referral letters or contractual evidence from the organizations listed in the Homeless Housing scoring section of the AHP Application. Acceptable referral letters must be from a third party entity that pledges to make referrals *specifically* to this Project.

Acceptable contractual evidence may be in the form of a grant award letter, executed contract or similar evidence from a third party entity requiring Project units to be sold to a specified number of homeless households. Households must meet the definition of homeless household as defined by the FHLB-NY and set forth in the *AHP Application Instructions and Scoring Criteria for Owner-Occupied Projects*.

EXHIBIT K

Empowerment

Only programs or services that directly promote economic empowerment of Project households qualify for points. Programs, activities, or services that promote Project households' quality of life or personal well being (but not their economic betterment) do not qualify for points in this section.

1. Include a bullet for each of the activities or services offered by the Project from the list below followed by a brief description for how the Project will offer each activity or service *specifically* to Project households:

- Project-specific case management programs that support residents' ability to find or sustain employment or be self-sufficient or promote their economic betterment
- Project-specific youth programs, including daycare services or formal recreational activities, that serve as a substitute for childcare and thereby enable their parents or guardians to find or sustain employment
- Project-specific primary health care services for households and their children
- Project-specific vaccination or medical screening programs for households and their children
- Project-specific job training programs, employment opportunities, or other educational services that economically benefit Project households
- Pre-purchase counseling for prospective first-time homebuyers, including all credit counseling, budgeting courses, or other financial services that economically benefit owner-occupants (as evidenced by a formal catalogue or syllabus, including an educational curriculum and a detailed synopsis of topics, that specifies the standard timeframe of the classes as well as the name of the agency or organization that will conduct the counseling)
- Predatory lending prevention and awareness counseling (as evidenced by a formal catalogue or syllabus, as specified above)
- Workshops for existing homeowners on maintenance, repairs, and improvements (evidenced by a formal catalogue or syllabus, as specified above)
- Homeowner decision making opportunities in the development or design of the Project units
- The establishment of a formal Project-specific homeowner's association
- Homesteading, IDA's, or sweat equity activities
- Welfare to Work Initiatives
- Project-specific private transportation services for households to and from places of employment

To best assure that the Project receives the maximum possible number of points in this category, the suggested format is a bullet followed by the specific wording on the above list followed by a few explanatory sentences. Do not simply copy pages submitted to other funding sources.

2. Include a statement regarding how each of the economic empowering activities or services offered to Project households will be financed.

Please note that, except for up to \$500 to help defray housing counseling costs, AHP subsidy may not be used to pay for the empowering activities or services offered by the Project and activities or services offered to any income-eligible person in the community do not meet the criteria for this scoring category.

Please also e-mail a separate copy of your response to this particular exhibit directly to malinda.walker@fhlbny.com

EXHIBIT L

Relocation Plan

- 1. If the Project is currently occupied and will permanently displace residents, furnish a copy of the formal Relocation Plan.**
- 2. Identify which funding source will finance the expenses related to relocating the displaced households.**

EXHIBIT M

Historic Preservation

Projects that promote Historic Preservation may qualify for points in this scoring category subject to receipt of third-party documentation that evidences that the Project:

- **Has either qualified for historic tax credits, or**
- **Is specifically identified in the National Register of Historic Places.**

EXHIBIT N

Remediation of Blight

The FHLB-NY will consider a “blighted” property as a residential area that has shown a pattern of deterioration and substandard housing. Projects that will enact strategies to remediate physical, environmental or social blight may qualify for points in this scoring category in one of the following three ways:

1. If the Project is rehabilitating substandard housing, demolishing substandard residential space and constructing new housing units, or providing alternative housing to households who currently reside in indecent or substandard housing, please furnish the following:
 - (a) a page and the name of the source *or* a letter from an official of the jurisdiction where the Project is located that confirms that the Project site has been designated as a “blighted” property; *and*
 - (b) a formal statement that explains how the Project will remediate blight.

OR

2. The Environmental Protection Agency (EPA) defines “brownfields” as “abandoned, idled or under-used industrial and commercial sites where expansion or redevelopment is complicated by real or perceived environmental contamination that can add cost, time or uncertainty to a redevelopment project.” If the Project is indeed located on a brownfield, please furnish third-party documentation (e.g., statistical information from the EPA’s official website, a letter from a federal/state/local official, financing commitments, grant etc.) that verifies that the Project site either meets the EPA’s definition or is identified on the National Priorities List of brownfields.

OR

3. Furnish appropriate supporting documentation (e.g., marketing materials, copies of building plans/designs/specifications, a letter from a law enforcement official of the jurisdiction where the Project is located, etc.) that confirms any of the following:
 - (a) If Project will employ security personnel and/or a technical security system;
 - (b) How the Project facility and the residential units are designed in order to promote the safety of its residents;
 - (c) If the Project residents will benefit from community policing or participate in a formal neighborhood watch program; or
 - (d) Any other strategies that the Project will enact in order to address crime and/or public safety needs.

EXHIBIT O

Smart Growth

Projects that enact Smart Growth strategies or are part of a village or community center concept may qualify for points in this scoring category in any of the following ways:

- 1. If the Project is located in a neighborhood that has been formally designated as a Smart Growth area, please furnish a letter from an official of the jurisdiction where the Project is located that confirms this matter.**
- 2. If the Project does not require the extension of public utilities, please furnish a copy of a letter from an official of the jurisdiction where the Project is located that confirms that the Project site has existing water and sewer hook-ups, electrical lines, etc.**
- 3. If the Project is part of a village or community center concept that includes a concentration of housing uses and/or retail, commercial, education, or employment opportunities, please furnish a letter from an architect or official of the jurisdiction where the Project is located that confirms this matter.**
- 4. If the Project contains Planned Units of Development or is located in a planned development area, please furnish a letter from an official of the jurisdiction where the Project is located or a specific reference within the community comprehensive or master plan that confirms this matter.**
- 5. If the Project involves in-fill construction on vacant lot(s) located in an otherwise developed or contains open space set-asides or another system that promotes increased residential density, please furnish a letter from an official of the jurisdiction where the Project is located that confirms this matter.**

EXHIBIT P

Economic Diversity

Scattered site projects with a countywide geographic target area do not qualify for points in this category. Other projects may qualify for points in this scoring category in one of the following two ways:

- 6. If the Project is located in a low- and moderate-income neighborhood and provides market rate units, include**
- (a) a statement regarding the number, price and target income for the market rate homes and evidence such as copies of advertisements, a Project prospectus, or marketing materials; *and***
 - (b) a page and the name of the source *or* a letter from an official of the jurisdiction where the Project is located providing statistical data showing that 51% or more of the households in the Project's neighborhood earn 80% or less of the area median income.**

The units that comprise the Project must be clustered together in a specific housing development or located on a common tract of land and at least 20% of the total number housing units must be sold to and occupied by households whose incomes exceed 80% of the area median income. The Project must consist of the number of AHP-assisted units (per this application) plus all market rate units to be financed through other sources.

OR

- 7. If the Project is located in an upper income area where the median income of the neighborhood (or municipality) is greater than 80% of the median income for the surrounding area (the city, county or PMSA) and all of the units serve households earning 80% or less of the area median income, furnish the following:**
- (a) a letter from an official of the jurisdiction where the Project is located that specifies the median income statistics for the neighborhood or municipality in relation to the median income statistics for the county or MSA, or**
 - (b) the page(s) from a valid source that specify comparable neighborhood, municipality and/or county median income statistics and the name of the source document, or**
 - (c) statistics from the following internet address for the census tract in which the Project is located. The Project is eligible if the column labeled "Tract/BNA Income Level" shows the tract is "Upper" or "Middle" income:
<http://www.ffiec.gov/webcensus/ffieccensus.htm>.**

EXHIBIT Q

Community Development

To qualify for points, attach one of the following:

1. Attach copies of appropriate pages from a current consolidated plan or similar strategy approved by a unit of state or local government showing that the Project will meet housing needs documented in the plan or strategy along with evidence that such plan or strategy has been adopted;

OR

2. Furnish a letter from a state or local government official that affirmatively states that the Project will meet a housing need that has been identified within a current consolidated plan or strategy that the jurisdiction has adopted.

EXHIBIT R

Environmental Upgrades and Safety Improvements

In order to qualify for points, the Project must create or preserve the stock of 1-to-4-family owner-occupied dwellings through weatherization, the installation of major energy efficient systems, heating system efficiency upgrades, energy or water conservation improvements, mold or lead-based paint hazard abatements, asbestos removal, and/or other safety improvements.

1. If the Project involves the rehabilitation or renovation of existing 1-to-4 family owner-occupied dwellings, attach a statement that specifies how the Project will enact the above-referenced environmental upgrades and safety improvements.
2. If the Project involves the construction of new homes or the substantial rehabilitation of existing dwellings for subsequent re-sale to income-eligible households, attach a letter from an architect that confirms how the building plans, design, and specifications enact this objective. If applicable, attach copies of appliance features or specifications that document how the Project will enact this objective.

Projects that involve the acquisition of existing homes on the open market may not combine rehabilitation work with any proposal to use AHP subsidy for downpayment or closing cost assistance.

EXHIBIT S

Member Interest

If the Project will provide funds to current homeowners to rehabilitate existing properties or assistance to prospective homebuyers to purchase existing homes, this exhibit is not applicable.

If homes will be constructed or rehabilitated through the Project for sale to selected purchasers and the Member has a past or present financial interest in the Project, attach the following:

1. A statement from the Member addressing the following items :

- (a) Describe any existing loans the Member has on any property in this Project.
- (b) Indicate whether the property is currently one of the Member's REO (Real Estate Owned) or non-performing assets.
- (c) Indicate whether the Project involves the purchase of property from the Member or a seller who has a mortgage or lien from the Member.
- (d) Describe any financial interest in the Project any member of the Board of Directors of your institution has in the Project, if any.

AND

2. If the Project is real estate owned (REO), provide a current As-Is Appraisal.