



## REHABILITATION OF EXISTING HOMES

### SECTION A – FUNDING REQUEST

- Fully executed AHP Funding Application for Homeownership Projects form (AHP-128).

## SECTION B – HOMEOWNERSHIP PROJECT WORKSHEET

- Submit a completed “A Existing Rehab” tab on the Homeownership Project Worksheet (AHP – 132)
- Provide a scope of work that details the work that will be or was performed on the subject property.
  - a. Indicate what type of Energy-Efficient Products / Renewable Energy Systems are included on the scope of work
- Note that the following types of rehabilitation work are eligible for Affordable Housing Program funding:
  - Work to ensure that the remaining economic life of the home’s structure and major systems will survive the 5-year AHP compliance period
  - Energy-efficiency improvements
  - Work to address local building code requirements
  - Emergency repairs
  - Lead-based paint hazard reduction
  - Accessibility for disabled persons
  - Repairs and general property improvements of a non-luxury nature to remedy a deficiency in the structure or access to the structure
  - Repair or replacement of utility connections
  - Repairs necessary for the occupant’s health and safety
  - Repairs to enable the home to meet HUD minimum habitability standards upon completion

**Note:** Work in rental units, site work or repairs strictly for cosmetic purposes on the subject property are ineligible for AHP funding with the exception of work necessary to restore the home or site to a habitable condition if flooring, walls, ceilings, fixtures, the site and/or similar features are damaged during the course of the performance of an eligible rehabilitation activity from the above list and/or are required under local building codes or to meet HUD’s minimum habitability standards upon completion.

Ineligible items may be financed with other funding sources.

- Provide at least two bids from the contractors that bid on the work. If the contractor with the higher bid was selected, provide an explanation for why the higher bid was chosen.
- Provide a copy of the contractor’s invoice for the work detailed on the scope of work.
- Furnish a copy of the Final Cost Certification for Owner-Occupied Rehabilitation Projects (AHP-133). This form must be executed by the homeowner, the sponsor, and the contractor to certify the amount of the work that was done and that it was completed in a satisfactory and acceptable manner.

## SECTION C – HOUSEHOLD INFORMATION

- Furnish household income documentation from all sources received by the family head and spouse (even if temporarily absent) and by each additional member of the family over the age of 18 years dated within two months of the household's approval for participation in the project pursuant to the Affordable Housing Program Guidelines for Determining Income Eligibility.

**Note:** If a packet for this household is submitted for preliminary eligibility review, submit all necessary supporting documentation. Upon completion, no further income verifications need to be included in the formal drawdown request if FHLB-NY staff has confirmed in writing that a proposed household was determined to be eligible at the time of approval for participation in the project before the rehabilitation work commenced.

- Furnish a copy of the AHP-Income Certification form

## SECTION D – RETENTION AGREEMENTS

- ❑ Deed - Provide a copy of the homeowner's deed. If necessary, provide appropriate third-party documentation if a person who appears on the deed is now known by another name as a result of marriage, divorce or a legal name change or if any owner named on the deed is now deceased.
- ❑ Retention Agreements – Include the following long term retention documents (In draft form if the household has not yet closed or as executed documents if the household has closed):
  - A copy of the Repayment Mortgage for Owner-Occupied Projects (AHP-111)
  - A copy of the Repayment Mortgage Note for Owner-Occupied Projects (AHP-112)

### *Note the following:*

- Anyone who is listed as an owner on the deed must execute the long term retention documents.
- Recoded Mortgage - In order to properly secure their lien position, prior to releasing funds to the Sponsor, the Member will request evidence that the Repayment Mortgage for Owner-Occupied Projects (AHP-111) was duly recorded at the municipal clerk's office in the jurisdiction in which the AHP-assisted property is located.
- Incorrect Mortgage Recording (Higher) – In the event that the recorded Repayment Mortgage for Owner-Occupied Projects (AHP-111) lists a higher amount of Affordable Housing Program subsidy than the amount that was necessary to complete the project as shown on the "A Existing Rehab" tab on the Homeownership Project Worksheet (AHP-132), the FHLB-NY will base the amount, if any, to be recaptured on the actual amount of the subsidy disbursed for the household's benefit.
- Incorrect Mortgage Recording (Lower) – In the event that the recorded Repayment Mortgage for Owner-Occupied Projects (AHP-111) lists a lower amount of Affordable Housing Program subsidy than the amount that was necessary to complete the project as shown on the "A Existing Rehab" tab on the Homeownership Project Worksheet (AHP-132), the FHLB-NY will require the Sponsor to submit a revised or supplemental Repayment Mortgage for Owner-Occupied Projects (AHP-111) and Repayment Mortgage Note for Owner-Occupied Projects (AHP-112) to total the full amount of the AHP subsidy. Otherwise, the amount disbursed will be reduced to equal the amount of the subsidy shown on the originally submitted Repayment Mortgage for Owner-Occupied Projects (AHP-111).

**Note:** If a packet for this household is submitted for eligibility review, submit all requested items. If the long term retention documents were submitted in draft form, an executed copy must be submitted with the formal drawdown request. Otherwise, no additional items must be submitted with the formal drawdown request.