



A Presentation from the FHLBNY

# First Home Club<sup>sm</sup> For an FHLBNY Member



# Overview of FHLBNY First Home Club

- » The First Home Club<sup>sm</sup> (“FHC”) is a special set-aside of the Federal Home Loan Bank of New York (“FHLBNY”) Affordable Housing Program (“AHP”) which assists income eligible first-time home buyers in the purchase of a home.
- » Assistance is provided in the form of matching funds based on the home buyer’s systematic savings within a dedicated savings account. The FHLBNY will grant up to \$7,500 based on a 4:1 match of household’s savings.
- » The FHLBNY matching funds may be used toward the down payment and/or closing costs for the purchase of a home.





# First Home Club Requirements

---

1. Household's income cannot exceed 80% of the area median income
2. Households must be enrolled through a First Home Club Member
3. 10 – 24 months of systematic savings in a dedicated account with the Member
4. Completion of a FHLBNY approved homeownership counseling program





# First Home Club Requirements (continued)

---

5. Member must originate household's mortgage
6. Funds must be used for down payment and closing cost assistance
7. Five year retention period





# First Home Club Process

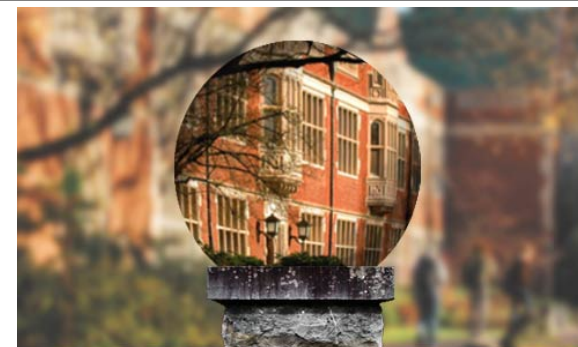
---

1. Household Enrollment
2. Household Maintenance
3. Household Funding





# FIRST HOME CLUB HOUSEHOLD ENROLLMENT





# First Home Club: Enrollment Process



# Eligibility Requirements for First Home Club Households

1

## Member & Household

1. Member determines household eligibility.
2. Member & Household sign Enrollment Terms & Conditions.
3. Household opens Savings Account.

## Are They Eligible?

- ✓ First-time homebuyer;
- ✓ Resident in the Federal Home Loan Bank of New York's ("FHLBNY") district at time of enrollment:
  - New York
  - New Jersey
  - Puerto Rico
  - U.S. Virgin Islands
- ✓ Have, at the time of enrollment, a total household income of 80% or less of the area median income for your current place of residence, adjusted for family size.



# Income Eligibility

1

## Member & Household

1. Member determines household eligibility.
2. Member & Household sign Enrollment Terms & Conditions.
3. Household opens Savings Account.



Federal Home Loan Bank of New York

5/12/2009

ID: AHP-011NY

## MORTGAGE REVENUE BOND MEDIAN INCOME GUIDELINES: 2009

### New York State

County	Median	1 & 2 Person Households			Median	3+ Person Households		
		50%	65%	80%		50%	65%	80%
Albany	\$74,100	\$37,050	\$48,165	\$59,280	\$85,215	\$42,608	\$55,390	\$68,172
Allegany	\$67,900	\$33,950	\$44,135	\$54,320	\$78,085	\$39,043	\$50,755	\$62,468
Bronx	\$92,160	\$46,080	\$59,904	\$73,728	\$107,520	\$53,760	\$69,888	\$86,016
Broome	\$67,900	\$33,950	\$44,135	\$54,320	\$78,085	\$39,043	\$50,755	\$62,468
Cattaraugus	\$67,900	\$33,950	\$44,135	\$54,320	\$78,085	\$39,043	\$50,755	\$62,468
Cayuga	\$67,900	\$33,950	\$44,135	\$54,320	\$78,085	\$39,043	\$50,755	\$62,468
Chautauqua	\$67,900	\$33,950	\$44,135	\$54,320	\$78,085	\$39,043	\$50,755	\$62,468
Chemung	\$67,900	\$33,950	\$44,135	\$54,320	\$78,085	\$39,043	\$50,755	\$62,468
Chenango	\$67,900	\$33,950	\$44,135	\$54,320	\$78,085	\$39,043	\$50,755	\$62,468
Clinton	\$67,900	\$33,950	\$44,135	\$54,320	\$78,085	\$39,043	\$50,755	\$62,468

Complete Income Guidelines may be found on our website.



# Determine Income Eligibility

1

## Member & Household

1. Member determines household eligibility.
2. Member & Household sign Enrollment Terms & Conditions.
3. Household opens Savings Account.

Determine total gross household income from the following sources:

- » One-month consecutive pay stubs, from the time of enrollment
- » 2 years previous Federal Tax Returns (IRS form 1040 and any attached schedules)
- » 2 years previous Federal W2(s)
- » Work History

*If applicable:*

- » If business income earned, provide 3rd year of tax return documentation (IRS form 1040, any attached schedules, and Federal W2(s))
- » Other Miscellaneous income
- » Social Security Award Letter
- » Pension
- » Divorce Decree and/or Child Support Court Order
- » Child Support Statement

See FHC-112: *Income Guidelines*



# Enrollment Terms and Conditions (pg. 1)


1

## Member & Household

1. Member determines household eligibility.
2. Member & Household sign Enrollment Terms & Conditions.
3. Household opens Savings Account.

SAMPLE

1/2008



Federal Home Loan Bank of New York

ID: FHC-104

## First Home Club<sup>SM</sup>

### ENROLLMENT TERMS AND CONDITIONS

**APPLICANT**

Applicant Name ("Household") Jane Smith		Co-Applicant Name ("Household") -----	
Address 3124 35th Street, Apt. 7H		City Astoria	State NY
Zip Code + 4 11106		County	MSA
Approved Member ("Bank") HSBC Bank USA, N.A.		Census Tract	

*In order for a household to enroll in the First Home Club and become eligible to receive a grant of up to \$7,500 per household for downpayment and closing cost assistance and up to \$500 to defray home ownership counseling costs towards the purchase of the Household's primary residence ("Home"), all applicants agree and understand that they must meet the following terms and conditions:*

- Meet the definition of a First-Time Homebuyer (See attached definition).
- Household must be a resident of the District of the Federal Home Loan Bank of New York ("FHLBNY") at time of enrollment. The FHLBNY's District is comprised of New York, New Jersey, Puerto Rico, and the U.S. Virgin Islands.
- At the time of First Home Club ("FHC"), the Household must have an income of 80% or less of the area median income for their current place of residence, adjusted for household size.
- The time of enrollment is the date on which the Household opens the dedicated savings account with the Bank. The maximum duration of enrollment is 24 months with one 12 month extension granted at the sole discretion of the FHLBNY for households having fulfilled all FHC requirements.
- The actual household size is the number of verifiable household members (i.e., any individuals related by blood, marriage, or adoption, or unrelated individuals, including all reported dependents) who will occupy the FHC-assisted residence as established at the time of enrollment.
- In the event that the Household's actual household size changes prior to the time of closing, the FHLBNY reserves the right to re-evaluate the qualifying the Household's size and income(s) retroactively to the time of enrollment.
- Open a dedicated savings account with the Bank and agree to systematically save a portion of the Household's income as determined on the following page.
- Each responsible household member must complete, within the period of the agreed upon dedicated savings program, a FHLBNY approved homebuyer counseling program offered by the Bank.
- Qualify for and obtain mortgage financing exclusively through the Bank for the purchase of a primary residence within the FHLBNY's District (i.e., New York, New Jersey, Puerto Rico or the U.S. Virgin Islands).
- Provide all necessary documentation to determine eligibility within the FHLBNY's FHC policy.
- Certify that all the information provided to the Bank is true and accurate.
- Execute a legal recordable retention document, at the time of closing, which ensures that the home remains affordable for a period of 5 years ("Recapture Period"). The FHLBNY may request the return of a portion of the matching grant funds awarded if the home purchased with the assistance of the matching funds is sold to an ineligible household (income exceeds 80% of the area median income, adjusted for family size, in which the house is located). The FHC grant may be fully forgiven if the household sells the home to an eligible household (income not exceeding 80% of the area median income) during the recapture period.
- The Applicant may refinance the first mortgage or take a home equity loan. The applicant will not be required to return the matching grant funds if the home continues to be subject to a deed restriction or other legally enforceable retention agreement or mechanism.
- First Home Club funds may be used in conjunction with other programs including other FHLBNY Affordable Housing Program awards. The combined subsidy amount from the FHLBNY may not exceed \$20,000 per household.

*The phrases "First Home Club", "Federal Home Loan Bank of New York First Home Club", and all related symbols are service marks of the Federal Home Loan Bank of New York.*



# Enrollment Terms and Conditions (pg. 2)

1

## Member & Household

1. Member determines household eligibility.
2. Member & Household sign Enrollment Terms & Conditions.
3. Household opens Savings Account.

SAMPLE

### THE SAVINGS PLAN

An affordable schedule of savings must be established, which, if followed, would enable the Household to accumulate sufficient savings to reach an Equity Goal. The FHLBNY will match \$4 for every \$1 saved by the Household for a total match of up to \$7,500. The Household must save in a dedicated savings account with the Bank. The deposited funds must remain in the dedicated savings account until the time of the closing. In order to begin saving the qualified Household must agree with the following:

- Household must establish a systematic savings plan.
- Household must open a dedicated savings account with the Bank.
- Household must make monthly deposits based on the savings plan as determined with the Bank below.
- In the event that the Household deposits a lump sum into the dedicated savings account, such deposit will be treated as one monthly deposit of the agreed upon amount in accordance with the established Savings Plan.
- Household must adhere to the systematic savings plan for a minimum period of ten (10) months or a longer period as determined below.
- Household may withdraw savings at anytime, but this may result in ineligibility for the matching funds.

To determine the appropriate savings plan, complete the information below:

A. Amount of monthly savings      \$ 187.50

B. Number of months of savings      10

C. Total amount of savings      \$ 1,875  
 (Equity Savings) (A x B)

D. Amount of Matching Funds      \$ 7,500  
 (\$4 for every \$1 saved, maximum \$7,500) (C x \$4)

The undersigned have read the above and fully understand and agree to the terms and conditions stated. The FHLBNY and Bank reserves the right to change the terms and conditions at any time, without prior notice. The Household also fully understands that the limited funds are available on a first-come first-served basis and even if the Household meets all of the above terms and conditions this does not guarantee that there may be funds available at the time that the Household qualifies. The FHLBNY, in its sole discretion, may refuse to honor a First Home Club Funding Request. The Household further agrees that any proceeds which will not be, or cease to be, used for the purposes approved by the FHLBNY will be recaptured and the unused, or improperly used, subsidy will be returned to the FHLBNY. The Household also acknowledges receipt of a copy of these terms and conditions.

CERTIFICATION THAT THE HOUSEHOLD IS QUALIFIED AND INCOME ELIGIBILITY HAS BEEN ESTABLISHED AS EVIDENCED BY THE ATTACHED INCOME CALCULATION AND THIRD PARTY INCOME DOCUMENTATION.

**First Home Club Household**  
**Jane Smith**      9/10/09      *Jane Smith*  
 Print Household Name (Applicant)      Date      Signature of Household (Applicant)

-----  
 -----  
 Print Household Name (Co-Applicant)      Date      Signature of Household (Co-Applicant)

**Member Bank**  
**<FHLBNY Member Name>**      VP - Lending      9/10/09  
 First Home Club Member (Bank Name)      Title of Authorized Officer      Date

**John Doe**      *John Doe*  
 Print Name of Authorized Officer      Signature of Authorized Officer

**Non-Profit Housing Agency (if applicable)**  
**ABC Counseling Agency**      Counselor      01/30/10  
 Name of Non-Profit Housing Agency      Title of Authorized Officer      Date

**Robert Hanson**      *Robert Hanson*  
 Print Name of Authorized Officer      Signature of Authorized Officer



# Enrollment Terms and Conditions (pg. 3)

1

## Member & Household

1. Member determines household eligibility.
2. Member & Household sign Enrollment Terms & Conditions.
3. Household opens Savings Account.

SAMPLE

FHC<sup>SM</sup> Enrollment Terms and Conditions  
Page 3

### DEFINITION OF FIRST TIME HOME BUYER

42 USCA § 12704  
42 U.S.C.A. § 12704

UNITED STATES CODE ANNOTATED  
TITLE 42. THE PUBLIC HEALTH AND WELFARE  
CHAPTER 130--NATIONAL AFFORDABLE HOUSING  
SUBCHAPTER I--GENERAL PROVISIONS AND POLICIES

Copr. © West 1996. All rights reserved.

Current through P.L. 104-133, approved 4-25-96

§ 12704. Definitions

As used in this subchapter and in subchapter II of this chapter:

(14) The term "first-time homebuyer" means an individual and his or her spouse who have not owned a home during the 3-year period prior to purchase of a home with assistance under subchapter II of this chapter, except that--

(A) any individual who is a displaced homemaker may not be excluded from consideration as a first-time homebuyer under this paragraph on the basis that the individual, while a homemaker, owned a home with his or her spouse or resided in a home owned by the spouse;

(B) any individual who is a single parent may not be excluded from consideration as a first-time homebuyer under this paragraph on the basis that the individual, while married, owned a home with his or her spouse or resided in a home owned by the spouse; and

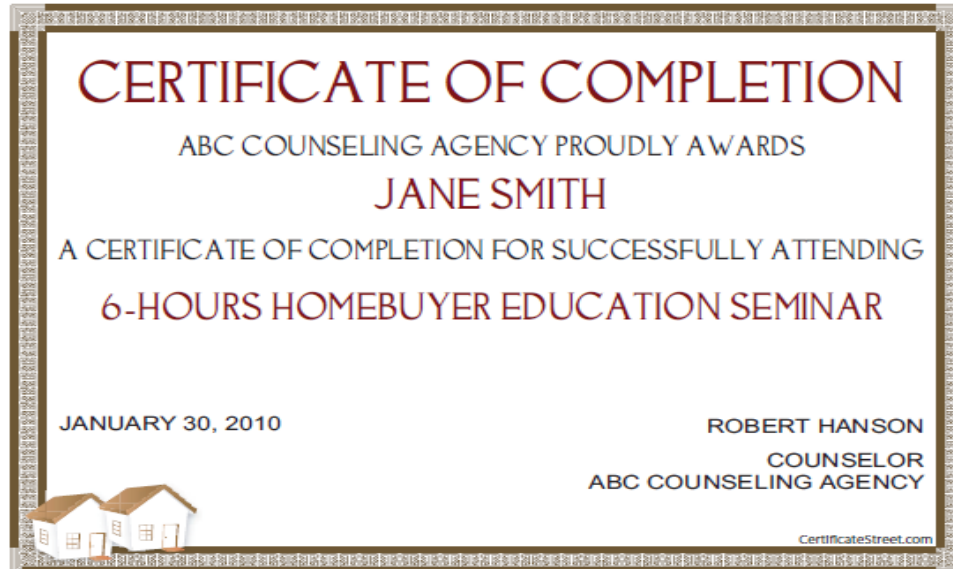
(C) an individual shall not be excluded from consideration as a first-time homebuyer under this paragraph on the basis that the individual owns or owned, as a principal residence during such 3-year period, a dwelling unit whose structure is--

(i) not permanently affixed to a permanent foundation in accordance with local or other applicable regulations, or

(ii) not in compliance with State, local, or model building codes, or other applicable codes, and cannot be brought into compliance with such codes for less than the cost of constructing a permanent structure.



# Counseling



The First Home Club provides up to **\$500** towards **non-profit housing agency counseling costs**. This amount will be added to the FHC grant, resulting in the potential maximum assistance of \$8,000.

\$7,500 downpayment/closings costs  
+\$ 500 directly to counseling agency  
\$8,000 First Home Club grant



# Enrollment Report FHC-101 (page 1 of 2)

2

Member Complete and submit Enrollment Period Report (only for new FHC households) to FHLBNY.



Federal Home Loan Bank of New York

## AFFORDABLE HOUSING PROGRAM FIRST HOME CLUB HOUSEHOLD ENROLLMENT PERIOD REPORT

**MEMBER CERTIFICATION:** The submission of this Enrollment Period Report is a certification of the information provided to the FHLBNY is true and accurate. The First Home Club (FHC) Participating Member certifies that (1) at the time of participation, the household's income does not exceed 80% of the family median income, adjusted for family size, for their current place of residence; (2) the household(s) are first-time homebuyers; (3) the Member and household have fully executed the Enrollment Terms and Conditions, the information provided is true and accurate, and the household understands the terms and conditions of the program; (4) files have been established at the Member location and contain documents used to determine program eligibility, at the time of enrollment, and that said documents conform with those specified by the FHLBNY; and (5) an income calculation form and applicable third-party income documents have been attached to the executed Terms and Conditions and will be delivered to the FHLBNY at the time of a funding package submission.

CUSTOMER NAME: <Member>

DATE OF REPORT: November 2009

Mr / Mrs./Ms.	BORROWER FIRST NAME	BORROWER LAST NAME	DATE FHC SAVINGS ACCOUNT OPENED	END OF QUALIFYING PERIOD	HOUSEHOLD ADDRESS (no P.O. Boxes)	HOUSEHOLD CITY	HOUSEHOLD STATE
Mr.	John	Smith	3/31/1999	6/30/1999	123 Main Street	Binghamton	NY
1 Mr.	Jane	Smith	9/10/2009	6/10/2010	2711 41st Avenue	Woodside	NY

SAMPLE



# Enrollment Report (page 2 of 2)

2

**Member**  
Complete and submit  
Enrollment Period Report  
(only for new FHC  
households) to FHLBNY.

*SAMPLE*

## First Home Club Household Enrollment Report

CUSTOMER NAME: <Member>

DATE OF REPORT: November 2009

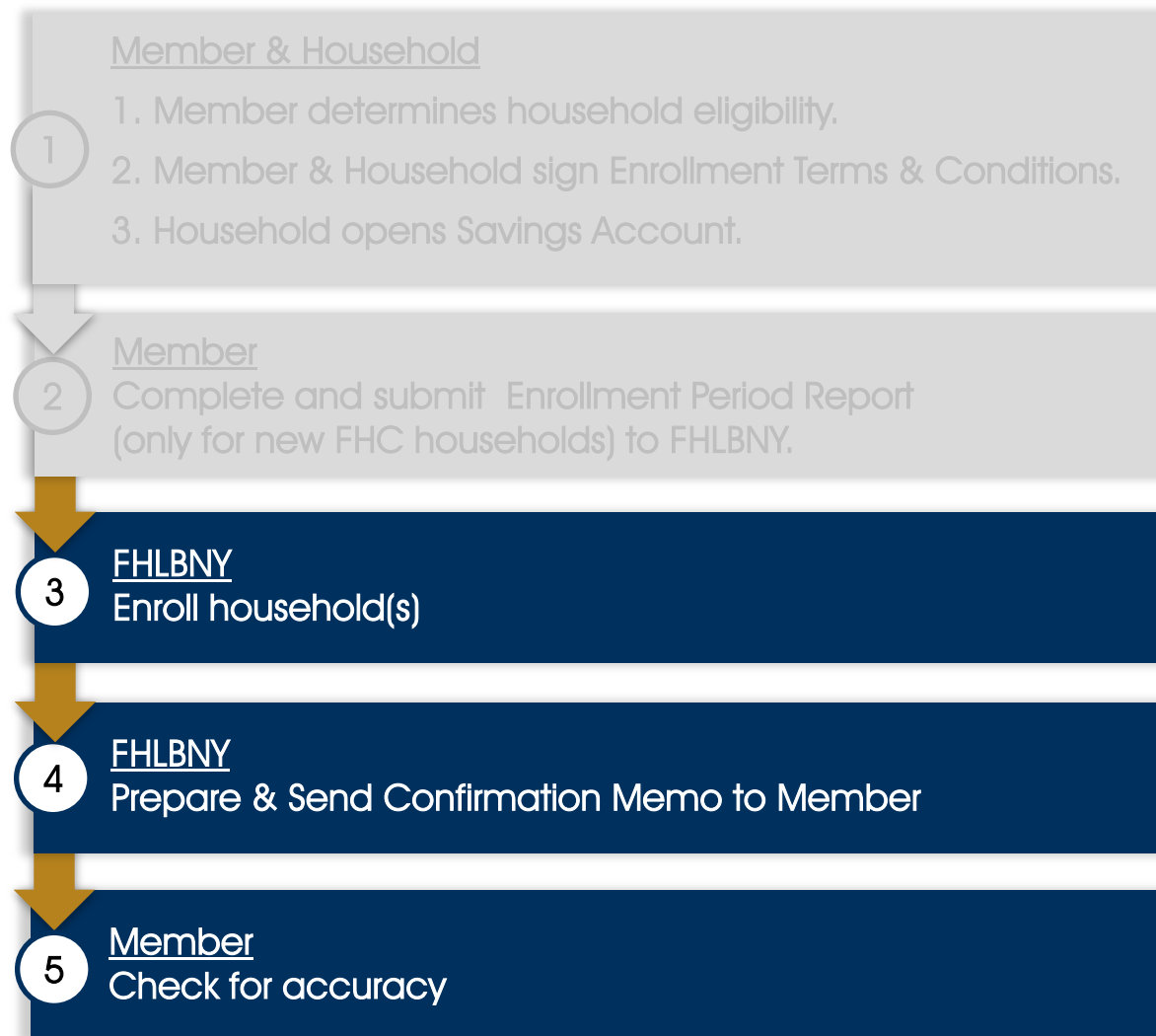
Page 2

ZIP CODE	HOUSEHOLD COUNTY	HOUSEHOLD MA	HOUSEHOLD CENSUS TRACT	INCOME GUIDELINE STANDARD	FAMILY SIZE	MAXIMUM ALLOWABLE INCOME	HOUSEHOLD INCOME	% OF MI	MONTHLY SAVINGS	# BOX OF SAVINGS	EQUITY GOAL	SAVINGS TO DATE	TERMS & CONDITIONS EXECUTED DATE
11905	Broome	11780	0014.00	MRB	4	\$42,000	\$20,000	38%	\$100.00	12	\$1,200.00	\$100.00	3/31/1999
11377	Queens	35644	0249.00	MRB	1	\$73,728	\$50,000	54%	\$187.00	10	\$1,870.00	\$562.50	8/19/2009





# First Home Club: Enrollment Process





# FIRST HOME CLUB HOUSEHOLD MAINTENANCE



# First Home Club: Household Maintenance




# Progress Reporting: Status Report (FHC-102)

1

**FHLBNY**  
Prepare Enrollment  
Status Report (Three  
times yearly)

2/2009



*Federal Home Loan Bank of New York*

---

ID: FHC-102

**AFFORDABLE HOUSING PROGRAM**  
**FIRST HOME CLUB HOUSEHOLD ENROLLMENT STATUS REPORT**

Extension requests may be calculated by adding 24 months to the FHLB Enrollment Reporting Period Date. Mandatory withdraws are those which exceed 36 months from the FHLB Enrollment Reporting Period Date.

MEMBER NAME: \_\_\_\_\_ <Member Bank> \_\_\_\_\_

DATE OF REPORT: \_\_\_\_\_ **March 2010**

HOUSEHOLD LAST NAME	HOUSEHOLD FIRST NAME	HOUSEHOLD FHC SYSTEM NUMBER	FHLB ENROLLMENT REPORTING PERIOD DATE	DATE FHC SAVINGS ACCOUNT OPENED	HOUSEHOLD ADDRESS (no P.O. Boxes)	CITY	STATE	ZIP	COUNTY	AMOUNT OF ELIGIBLE SAVINGS TO DATE	# OF MONTHS OF ELIGIBLE SAVINGS DEPOSITS	MEMBER CERTIFIES SAVINGS? "Y" OR "N"	MEMBER CERTIFIES COUNSELING COMPLETED? "Y" OR "N"	CURRENT EXPIRATION	HOUSEHOLD FHC SYSTEM STATUS	STATUS REQUESTED (PENDING, EXTEND, OR WITHDRAW)
Smith	Jane	12345	11/16/2009	9/10/2009	2711 41st Avenue	Woodside	NY	2231931	Queens	\$ 1,212.50	7	Y	Y	11/30/2011	Pending	Pending

2

**Member**  
Complete and  
submit Enrollment  
Period Report (only  
for new FHC  
households) to  
FHLBNY.





# First Home Club: Household Maintenance



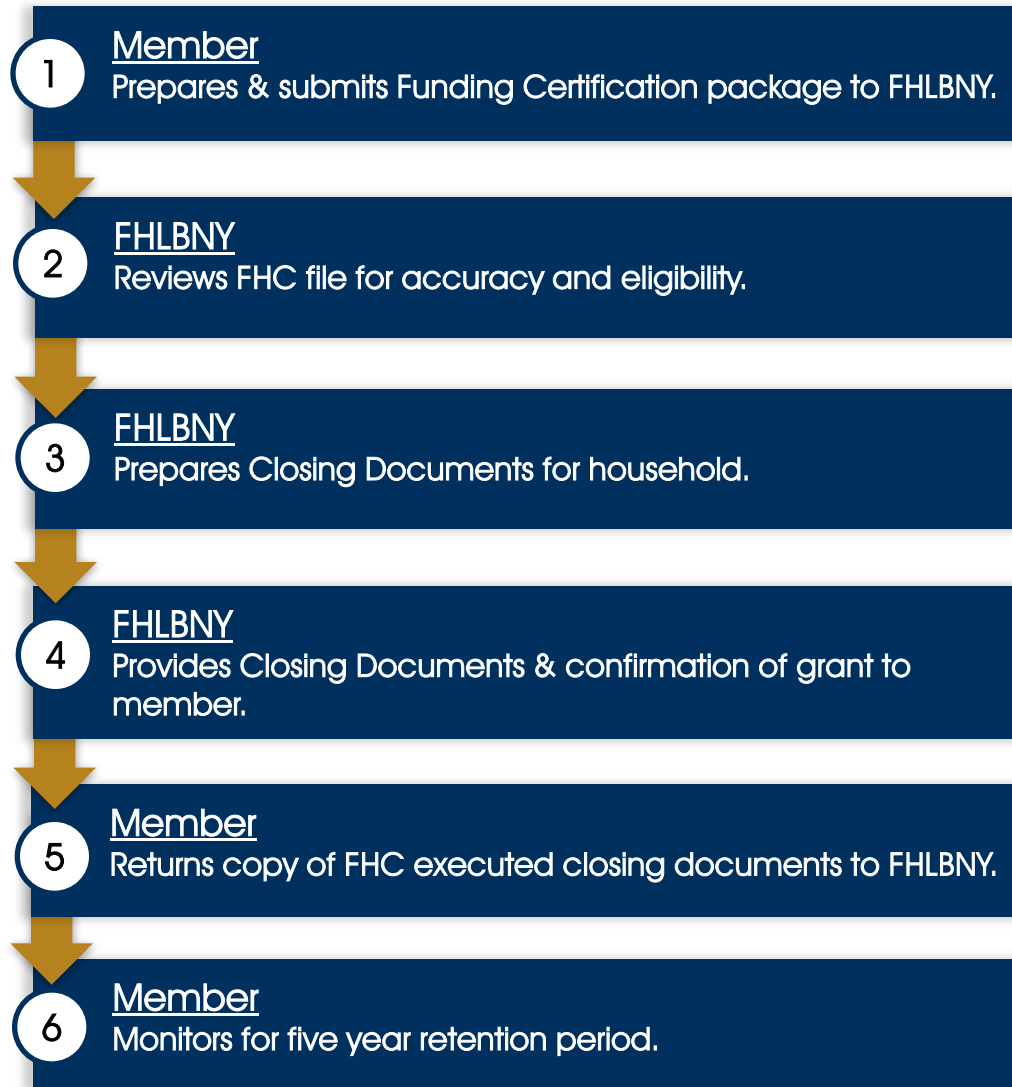


# FIRST HOME CLUB FUNDING





# First Home Club: Household Funding



# Funding Certification

1

Member  
Prepares & submits  
Funding Certification  
package to FHLBNY


2

FHLBNY  
Reviews FHC file for  
accuracy and  
eligibility.

SAMPLE

*1 of 4 pages  
Complete agreement  
may be found on our  
website*

3/2010

 *Federal Home Loan Bank of New York*

ID: FHC-105

## First Home Club<sup>SM</sup>

### FUNDING CERTIFICATION

The Federal Home Loan Bank of New York ("FHLBNY") will process the funding of First Home Club<sup>SM</sup> funds when an approved First Home Club member participant ("Member") submits this First Home Club Funding Certification ("Certification") and all the information specified below in order to approve the disbursement of funds. **The Member may submit this request and documentation to fund First Home Club<sup>SM</sup> funds anytime after the Member has issued to the household their first mortgage commitment but no later than 10 business days prior to the scheduled date of the closing of the home.**

FHLBNY Participating Member (Stockholder Institution)		Estimated Date of Closing JUNE 30, 2010
Household Name(s) (as it will appear on Mortgage) JANE SMITH		FHC ID # 12345
Amount FHC Matching Funds Requested \$ 7,500.00	Amount of Home Ownership Counseling \$ 500.00	Total FHC Grant \$ 8,000.00

### SUBMIT THE FOLLOWING

Please verify inclusion and legibility of all documentation submitted. Review shall cease until all required documentation is received.

**Income Documentation** (include Income Calculation Sheet) which reflects the total household income at the time of Enrollment in the First Home Club program

Total Household Income:	\$50,000.00	Maximum Allowable Income	\$73,728.00
Household Size:	1	Percent of MFI (not to exceed 80%)	54%

**Savings Deposits** evidencing systematic and consistent savings deposits including third party documentation for any approved withdrawals made from the dedicated account.

Total Eligible Savings:	\$1,875.00	Number of Eligible Deposits:	10
Date Savings Account Opened:	SEPTEMBER 10, 2010		

**Homeownership Counseling Certificate** for each responsible household having attended all workshops

Name of Homeownership Counseling Agency: ABC COUNSELING AGENCY

**Enrollment Terms and Conditions** that each responsible household executed this statement at the time of Enrollment.

**Member's Mortgage Commitment** which has been executed by the Member and sent to the FHC household

Date of Member's Mortgage Commitment:	<u>MAY 30, 2010</u>
Type of Loan:	<u>ABC MORTGAGE</u>
Is this a HOEPA loan:	<input type="checkbox"/> YES <input checked="" type="checkbox"/> NO

*Federal Home Loan Bank of New York* ID: FHC-105



# FHC Closing Documents

3

FHLBNY  
Prepares Closing  
Documents for  
household.

Upon approval of the Funding Package, we will email the Member the following:

- FHC Subordinate Mortgage
- FHC Promissory Note
- FHC Certification of Intention to Record
- A letter of closing instructions
- Confirmation of FHC Grant funds transferred to Member DDA account



# FHC: Promissory Note

4

FHLBNY  
Provides Closing  
Documents &  
confirmation of grant  
to Member.

<Member Bank>  
**FIRST HOME CLUB**  
**PROMISSORY NOTE**

DATE: June 30, 2010

**BORROWER'S PROMISE TO PAY**

For value received, **Jane Smith** (hereinafter referred to as the "Borrower"), residing at **2711 41st Avenue, Woodside, NY** promises to pay to the order of <Member Bank> (hereinafter referred to as the "Lender"), a Savings Bank organized and existing under the laws 75 West 125th Street, New York, NY 10027, the Principal sum of **Seven Thousand Five Hundred Dollars (\$7,500.00)** in lawful money of the United States of America.

**PAYMENTS**

Borrower shall make all payments hereunder at such address as the Lender may provide Borrower.

**EVENTS OF DEFAULT**

1. In the event the property which secures this note is sold to an ineligible homebuyer whose income exceeds 80% of the area median income as determined by Lender, adjusted for family size, the Lender is entitled to recapture a pro rata portion of the Principal. Recapture of the Principal will occur if the house is sold to an ineligible homebuyer within the five (5) year term of this Note. Twenty percent (20%) of the Principal will be forgiven for each year of the term that has passed.
2. It shall be an event of default in the case of a refinancing, including home equity loans, prior to the end of the retention period, in which event, an amount equal to the pro rata share of the direct subsidy that financed the purchase of the property, reduced for every year the occupying household has owned the unit, *unless* the property continues to be subject to a deed restriction or other legally enforceable retention agreement or mechanism pursuant to the Affordable Housing Program regulations.

**FORGIVENESS**

The Borrower hereby acknowledges and understands that the Principal amount represents a reduction in the Borrower's downpayment and/or closing costs for the acquisition of a property within the Lender's lending area. Provided the proceeds for the Principal are used for the purposes set forth herein, and no event of default has occurred, the proceeds will be forgiven by **June 29, 2015** (the "Expiration Date") and no payment will be due on the Principal or interest.

1

*Complete agreement  
may be found on our  
website.*



# FHC: Subordinate Mortgage

4

**FHLBNY**  
Provides Closing  
Documents &  
confirmation of grant  
to Member.

<Member Bank>  
**FIRST HOME CLUB<sup>SM</sup>**

## SUBORDINATE MORTGAGE

THIS MORTGAGE for First Home Club<sup>SM</sup> Funds (the "Program") is made on **June 30, 2010** by **Jane Smith** (the "Borrower") residing at **2711 41st Avenue, Woodside, NY** to <Member Bank> (the "Lender"), maintaining offices at <Member Bank Address, city, state, zip>.

WHEREAS, the Federal Home Loan Bank of New York ("Bank") enrolled the Borrower into the First Home Club<sup>SM</sup> on **November 16, 2009** ("Date of Enrollment") through the Lender; and the Bank set-aside matching funds for downpayment and closing cost assistance for the purchase of a home by the potential first-time homebuyer, the Borrower; and

WHEREAS, the Lender has determined that the Borrower meets the definition of a first-time homebuyer as defined by the Bank; and

WHEREAS, the Lender has determined that at the time of enrollment with the Lender, the Borrower had a total family income of 80% or less of the area median income for their current place of residence, adjusted for family size, as defined by the Bank and agreed upon by the Lender in the Enrollment Report on the Date of Enrollment; and

WHEREAS, the Borrower has established a First Home Club savings account with the Lender and the Borrower has demonstrated a pattern of systematic savings in the dedicated account which is consistent with the agreed upon schedule and the Borrower has also completed homeownership counseling sessions, as approved by the Bank; and

WHEREAS, the Lender has received from the Borrower an executed Enrollment Terms and Conditions Statement and the Lender has submitted to the Bank the First Home Club Member Certification Statement; and

WHEREAS, the Bank, on **June 30, 2010**, has issued a grant of matching funds to the Borrower and Lender.

NOW THEREFORE, the Borrower is indebted to the Lender in the principal amount of **\$7,500.00** ("Subsidy Amount"), which indebtedness is evidenced by Borrower's Note dated **June 30, 2010** (herein "Note"), due and payable on **June 29, 2015**;

TO SECURE TO LENDER (a) the repayment of the indebtedness evidenced by the Note and all renewals, extensions and modifications thereof; (b) the payment of all other sums, with interest thereon, advanced in accordance herewith to protect the security of this Instrument; and (c) the performance of the covenants and agreements of Borrower herein contained, Borrower does hereby mortgage, grant, convey, and assign to Lender the property described below.

### MORTGAGE AS SECURITY

1. This Mortgage is given as security for the payment of amounts due and the performance of all promises contained herewith. The Borrower mortgages the real estate owned and occupied by the Borrower described as follows:

County of **Queens**, and State of **NY**, specifically described as follows:

*Complete agreement  
may be found on our  
website.*



# FHC: Subordinate Mortgage Recording Certification

4

## FHLBNY

Provides Closing Documents & confirmation of grant to Member.

<Member Bank>

### FIRST HOME CLUB™ SUBORDINATE MORTGAGE CERTIFICATION OF INTENTION TO RECORD

**BORROWER:** *Jane Smith*  
**PREMISES:** *2711 41st Avenue, Woodside, NY*

Title  
Number: \_\_\_\_\_

Title  
Company: \_\_\_\_\_

Attached is a copy of a Subordinate Mortgage that encumbers the above-referenced premises.

The original of this Subordinate Mortgage is being taken from the closing for public recording on

\_\_\_\_\_  
(Date)

\_\_\_\_\_  
Name of Title Company, Law Firm or Federal Home Loan Bank of New York Stockholder

\_\_\_\_\_  
Signature of Authorized Representative

\_\_\_\_\_  
Printed Name

\_\_\_\_\_  
Date





# FHC Funding Memo

4

FHLBNY  
Provides Closing Documents & confirmation of grant to Member.

On or before the date of closing, the FHLBNY will email the Member the following Funding Memo:

## SAMPLE MEMO

To: <email@member.com>  
From: First Home Club

Re: First Home Club – Jane Smith

Good afternoon.

On June 21, 2010 we credited First Home Club funds in the amount of \$7,500.00 into <Member> DDA for Jane Smith.

First Home Club  
Federal Home Loan Bank of New York  
101 Park Avenue, 5th Floor  
New York, NY 10178  
E-mail: fhc@fhlbny.com



# Post Closing Requirements

5

Member  
Returns copy of FHC  
executed closing  
documents to  
FHLBNY

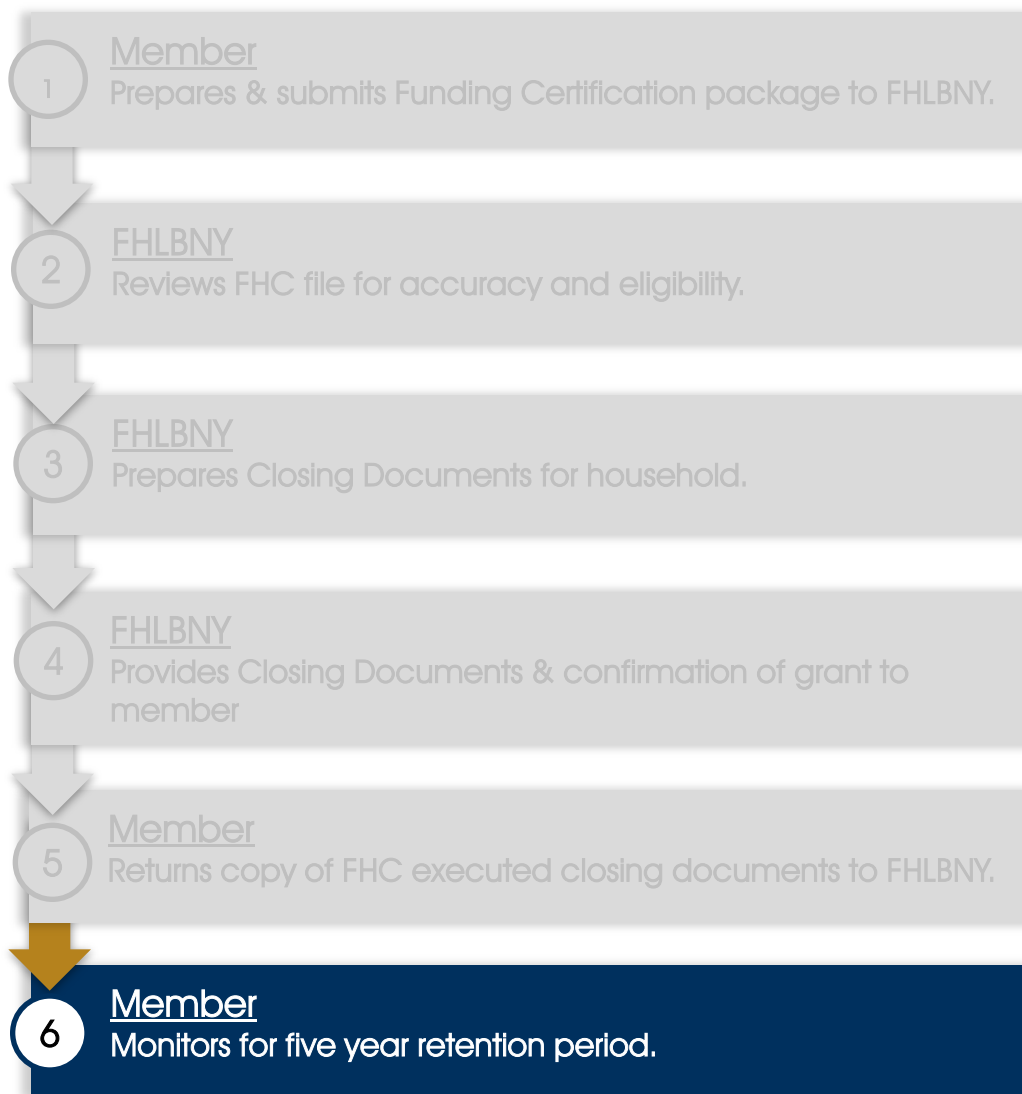
On the day of closing or shortly thereafter, Member must return the following executed documents to the FHLBNY:

- FHC Note
- FHC Subordinate Mortgage or UCC (filing if the property is a co-op)
- Certification of Intention to Record
- HUD-1
- Final Truth in Lending (TIL)
- Good Faith Estimate



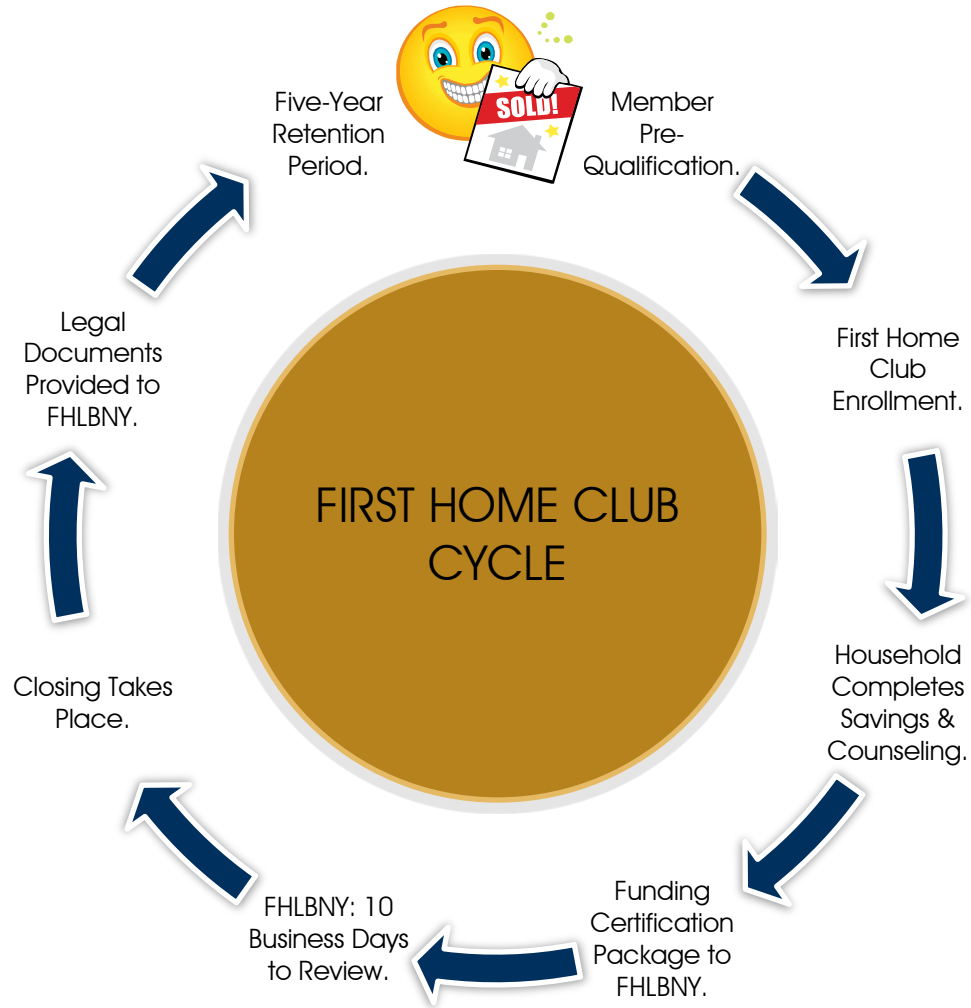


# First Home Club: Household Funding





# First Home Club Cycle



# FHC Member Forms and Guidelines

Forms & Agreements	
<b>FHC/APP-100</b>	First Home Club Lenders Application
<b>FHC-101</b>	Enrollment Report* [ <a href="#">click here for instructions</a> ]
<b>FHC-102</b>	Enrollment Status Report* [ <a href="#">click here for instructions</a> ]
<b>FHC-104</b>	Enrollment Terms and Conditions Agreement <sup>1</sup>
<b>FHC-105</b>	Funding Certification
<b>FHC-106</b>	Promissory Note <sup>2</sup>
<b>FHC-107</b>	Subordinate Mortgage <sup>2</sup>
<b>FHC-109</b>	Recording Certification <sup>2</sup>
<b>FHC-113</b>	Recapture Request Form*
<b>FHC-116</b>	Counseling Agency Participation Form

Supplemental Guidelines and Policies	
<b>FHC-110</b>	Program Guidelines
<b>FHC-111</b>	Homeownership Counseling Guidelines
<b>FHC-112</b>	Guidelines for Determining Income Eligibility
<b>FHC-114</b>	Compliance Monitoring Guidelines
<b>FHC-115</b>	Household Transfer Policy
<b>FHC-116L</b>	List of Approved Counseling Agencies
<b>AHP-011NY</b>	Mortgage Revenue Bond Income Limits - New York
<b>AHP-011NJ</b>	Mortgage Revenue Bond Income Limits - New Jersey
<b>AHP-011PR</b>	Mortgage Revenue Bond Income Limits - Puerto Rico
<b>AHP-136</b>	Guidelines for Determining Mortgage Affordability





## *Advancing Housing and Community Growth*

**Peter King**

Affordable Housing Officer

212-441-6858

**Glenda Gunning**

First Home Club Analyst

212-441-6855

Email: [fhc@fhlbny.com](mailto:fhc@fhlbny.com)

The information provided by the Federal Home Loan Bank of New York ("FHLBNY") in this communications is set forth for informational purposes only. The information should not be construed as an opinion, recommendation or solicitation regarding the use of any financial strategy and/or the purchase or sale of any financial instrument. All customers are advised to conduct their own independent due diligence before making any financial decisions. Please note that the past performance of any FHLBNY service or product should not be viewed as a guarantee of future results. Also, the information presented here and/or the services or products provided by the FHLBNY may change at any time without notice.