



## FIRST HOME CLUB<sup>SM</sup> (FHC)

The First Home Club<sup>SM</sup> (FHC) was launched in 1995 to offer an incentive for households with incomes at or below 80% of area median income to save toward the purchase of a new home. The program is a non-competitive set-aside of the FHLBNY's Affordable Housing Program and is administered through approved members of the FHLBNY. FHC subsidy funds up to \$7,500 can be used to provide down payment and closing cost assistance by granting \$4 in matching funds for each \$1 saved to qualified first-time homebuyers who follow a systematic savings plan and participate in a homebuyer counseling program. Once a member becomes an approved FHC participant, the member may enroll eligible first-time homebuyers in the FHC on an ongoing basis.

### Eligibility Requirements

#### Members:

To participate in the FHC, a member completes the FHC Lender's Application\* and includes the following:

- » A first-time homebuyer policy statement
- » Description of dedicated savings accounts
- » Description of special incentives to the households, if any (provide financial or other incentives in connection with the mortgage financing such as reduced points, below market interest rate, reduced fees and other charges for a loan of similar maturing terms and risk, if applicable)
- » Samples of marketing materials, if available

#### Homebuyers:

To participate in the FHC, a household may be determined eligible if they meet the following requirements:

- » They are a first-time homebuyer\*\*
- » Reside within FHLBNY's district area (NJ, NY, Puerto Rico and the U.S. Virgin Islands)
- » Gross household income is 80% or less of the area median income as defined in the Program Guidelines\*
- » Open a dedicated savings account with an approved member and agree to save systematically on a monthly basis for a period of 10-24 months
- » Complete a homebuyer counseling program
- » Execute the FHC Enrollment Terms & Conditions Agreement (FHC-104)
- » Obtain mortgage financing from the member
- » At closing, execute a subordinate mortgage for subsidy funds for a 5-year term

**Eligible Properties:** One-to-four family homes, co-ops, condos and mobile homes attached to a permanent foundation within the FHLBNY's district area (NJ, NY, Puerto Rico and the US Virgin Islands).

\*For an application, program guidelines, or more information, please visit [www.fhlbny.com/fhc](http://www.fhlbny.com/fhc).

\*\*A first-time homebuyer is defined as an individual and his or her spouse who have not owned a home during the 3-year period prior to the purchase of the new home (refer to [U.S. Code, Title 42, §12704(14)] for complete definition).

*See reverse for more information about FHC >*





## Advantages and Benefits:

- » Creates homeownership opportunities in members' communities
- » Provides residential lending opportunities
- » Increases banking relationships
- » Increases deposits
- » Fosters relationships with non-profit housing counseling providers
- » Enhances public relations
- » Enhances CRA credit

For more information contact us at (212) 441-6850 or visit [www.fhlbny.com/fhc](http://www.fhlbny.com/fhc).