



SPONSOR DEVELOPED HOMES DRAW DOWN COVER PAGES

(Projects involving newly constructed or rehabilitated homes that were developed by the sponsor for sale to eligible purchasers)

(All documents must be submitted separately for each section)

SECTION A – FUNDING REQUEST

- Fully executed [AHP General Fund Funding Application for Owner-Occupied Projects form \(AHP-128\)](#).

SECTION B – OWNER-OCCUPIED PROJECT WORKBOOK

- Provide an itemized general ledger statement that accounts for all of the hard and soft costs that the Sponsor incurred in constructing or rehabilitating the dwelling.
- For each household purchasing a home the sponsor has developed, complete one of the following sections depending on how the AHP subsidy will be used to assist the purchaser:
 - The “B Home Purchase” tab on the [Owner-Occupied Project Workbook \(AHP-132\)](#) if AHP subsidy will be used to buy down the mortgage, for down payment assistance and/or closing costs assistance; OR.
 - The “C Interest Write Down” tab on the [Owner-Occupied Project Workbook \(AHP-132\)](#) if AHP subsidy will be used to write down the interest rate on a permanent loan to the purchaser.
 - The “D Sponsor Developed Homes” tab on the [Owner-Occupied Project Workbook \(AHP-132\)](#) if AHP subsidy will be used to reimburse construction costs.
- If AHP subsidy will be used to write down the interest rate on a permanent loan to the purchaser, provide a summary of the methodology that was used to determine the present value of the discounted rate.
- Provide a list of all purchasers assisted with AHP subsidy to date on the [Owner-Occupied Income Verification Worksheet \(AHP-150\)](#).
- In order to determine cost reasonableness, a project must do at least one of the following: (1) the rehabilitation costs must be validated by qualified professional (e.g. architect, engineer, construction manager or general contractor), or (2) the project sponsor must commit to using a competitive bidding process involving at least two general contractors where the lowest responsible bidder is selected. If the contractor with the higher bid was selected, provide a reasonable explanation for why the higher bid was chosen.

SECTION C – HOUSEHOLD INFORMATION

- Furnish a copy of the Certificate of Occupancy or comparable documentation issued by the jurisdiction where the home is located (note that funds will not be disbursed for any home which has not been completed).
- 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.
- If the project is a Habitat-type project (or is similar because it involves seller financing and/or sweat equity by the purchasers) provide:
 - Evidence of when the household was approved for participation in the project.
 - A copy of a duly executed Sponsor Mortgage.
 - Evidence regarding the chain of title as follows: A copy of a deed from a third-party to the Project sponsor as evidence that the Sponsor had valid title to the project site sold to this household; a copy of a closing statement that evidences the costs that the Sponsor incurred in taking title to the site; a copy of the deed from the Sponsor to the household; and a copy of the HUD-1 Settlement Statement or Closing Disclosure executed by the household that summarizes the household's closing costs.

Note: The settlement statement should include a line item for the amount of the AHP subsidy and show that the household has received no more than \$250 in cash back plus any amounts paid outside of the closing.

- If the project is not a Habitat-type project and the household has closed, provide a copy of the HUD-1 Settlement Statement or a Closing Disclosure executed by the household that summarizes the household's closing costs.
- Furnish a copy of the [Intake Certification Worksheet \(AHP-135\)](#).
- Furnish a copy of the [AHP Income Calculation Worksheet \(AHP-152\)](#). This form must fully reflect all the income received by the household.
- Furnish a copy of [AHP/HDP Zero-Income Certification– AHP/HDP-001](#) for member(s) of the household who is over the age of 18 and reports zero income on the [Intake Certification Worksheet \(AHP-135\)](#).
- If the project was awarded supportive housing points, provide evidence that the service plan and agreement submitted at the time of application remains in effect. The [Owner-Occupied Income Verification Worksheet \(AHP-150\)](#) must indicate if the household receives supportive services.

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 executed long term retention document:
 - [A copy of the Repayment Mortgage for Owner-Occupied Projects \(AHP-111\)](#)

Note the following:

- Anyone who is listed as an owner on the deed must execute the long term retention documents.
- Recorded Mortgage - In order to properly secure their lien position, prior to releasing funds to the Sponsor, the Member will request evidence that the AHP Subordinate 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 lists a higher amount of Affordable Housing Program subsidy than the amount that was necessary to complete the project as shown on the “B Home Purchase”, “C Interest Write Down” and “D Sponsor Developed Homes” tabs on the Owner-Occupied Project Workbook (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 AHP Subordinate Mortgage for Owner-Occupied Projects lists a lower amount of Affordable Housing Program subsidy than the amount that was necessary to complete the project as shown on the B Home Purchase”, “C Interest Write Down” and “D Sponsor Developed Homes” tabs on the Owner-Occupied Project Workbook, the FHLB NY will require the Sponsor to submit a revised or supplemental Repayment Mortgage for Owner-Occupied Projects and Repayment Mortgage Note for Owner-Occupied Projects 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 AHP Subordinate Mortgage for Owner-Occupied Projects.

Notes: 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.

SPANISH LANGUAGE AHP RETENTION DOCUMENTS

- Spanish language versions of the [Subordinate Mortgage \(AHP-145\)](#) and [Promissory Note \(AHP-143\)](#) are offered to Rental Projects in Puerto Rico. The Subordinate Mortgage and Promissory Note are required for projects in Puerto Rico effective with projects receiving an award in the 2018 funding round or later and the AHP Spanish language documents can only be used in conjunction with projects that are located on the island.

Note: Subordinate Mortgages prepared by the project attorney must be recorded.