



Federal Home Loan Bank
NEW YORK

Homebuyer Dream Program®

2021 Virtual Roadshow



Today's Agenda

Homebuyer Dream Program: Overview

Homebuyer Dream Program: Key Updates

Questions & Answers

Homebuyer Dream Program: Lifecycle

Analysis of the 2020 Round

Strategies for Success

Questions & Answers



HOMEBUYER DREAM PROGRAM® OVERVIEW



Homebuyer Dream Program® Overview



Federal Home Loan Bank
NEW YORK

- First-time homebuyer set-aside program offered by the Federal Home Loan Bank of New York (“FHLBNY”)
- FHLBNY contributes 10% of its previous years net earnings to the Affordable Housing Programs

First-Time Homebuyer Set-Aside: Homebuyer Dream Program® (“HDP”)

- Provides down payment and/or closing cost assistance to first-time homebuyers
- Grant up to \$9,500 per household with an additional \$500 towards defrayment of non-profit counseling agency costs for a maximum amount of \$10,000
- Total household income must be at or below 80% of the Area Median Income for the county in which the household is purchasing
- Program administered through participating members as an annual Round

HDP Round will open May 3rd, 2021



HOMEBUYER DREAM PROGRAM®

KEY UPDATES



Changes to 2021 HDP Round

Grant Amount

- ❑ Reduced from \$15k → \$10k per household



The Round:

- ❑ First come, first serve administration is replaced with an individual member allotment
-

Introduction of an Individual Member Allotment

Allotment Process

- ☐ Members will be provided an individual allotment to be used for eligible households
- ☐ Allotments are:
 - Based upon 3-year historical commitment activity
 - Communicated within 30 days of Round opening
- ☐ To receive an allotment, members must provide the following by March 26th, 2021:
 - Member Participation Agreement (Form: HDP-001)
 - HDP Secure File Transfer Enrollment (Form: HDP-002)
- ☐ Members have until August 27th, 2021 to fully reserve allotments



Reallotment Process → If remaining funds are available

- ☐ On September 1st, 2021, unreserved allotments will be redistributed in order of exhaustion
- ☐ Exhaustion is defined as a remaining initial allotment of \$10,000 or less

Key Updates to 2021 Homebuyer Dream Program® Round

Round funds will be distributed equitably to provide a meaningful allotment




Factors that determine individual member allotments:

- ☐ Total allocation for the HDP Round
- ☐ Maximum grant amount
- ☐ Number of members that participate in the 2021 HDP Round
 - Historical commitments of participating members
- ☐ Determination of the Round floor & ceiling



Homebuyer Dream Program[®]: Key Dates

2021 Annual HDP Round Details:

- 
- ☐ Member Participation Agreement due: **March 26th**
 - ☐ Communication of allotment: **Within 30 Days of Round Opening**
 - *2021 HDP forms also made available on FHLBNY website*
 - ☐ Round opens with initial allotment: **May 3rd**
 - ☐ Initial allotment ends: **August 27th**
 - ☐ Reallotment begins for eligible members: **September 1st**
 - *If funds are available*
 - ☐ Round closure: **November 30th**

Members that do not comply with the March 26th deadline will not receive an allotment and be ineligible to participate in the 2021 HDP Round.

QUESTIONS & ANSWERS



HOMEBUYER DREAM PROGRAM® LIFECYCLE



Homebuyer Dream Program® Life Cycle



DETERMINING HOUSEHOLD ELIGIBILITY

- Member qualifies household based on program parameters outlined within the HDP guidelines.



HOUSEHOLD RESERVATION REQUEST

- Member submits a new household reservation request to the FHLBNY via file transfer system.



COMMITMENT OF GRANT

- FHLBNY reviews reservation request for eligibility and upon approval issues a commitment to the member for a period of 120 days.



FUNDING OF GRANT

- Member submits a funding request no later than 15 days prior to the commitment expiration.
- Funds are disbursed to the member on a post-closing basis.



RETENTION PERIOD

- Household is required to remain in the home during the 5-year retention period.



Household Eligibility

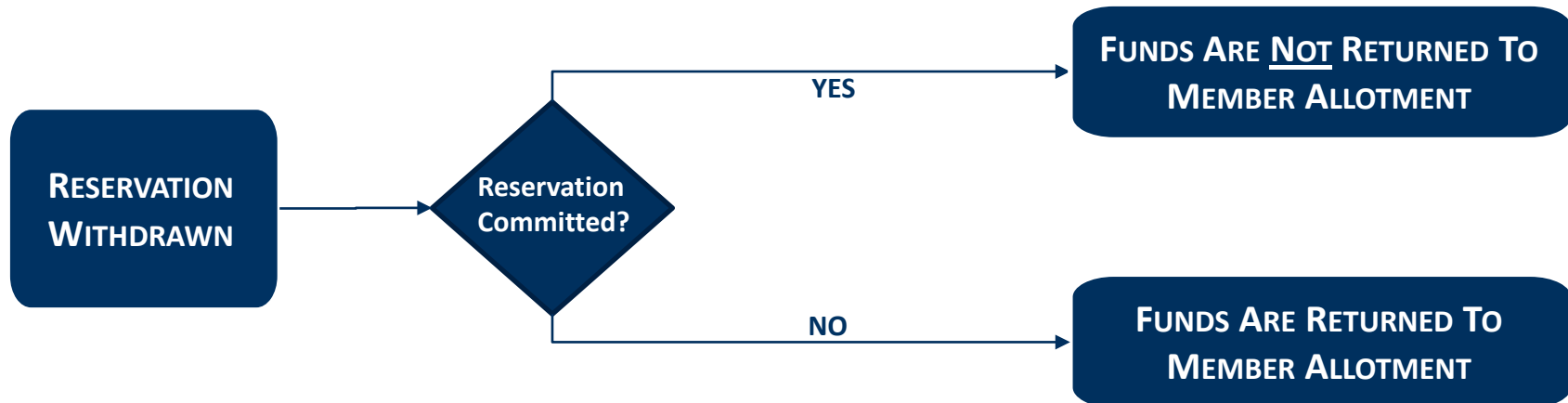
Member determines household eligibility and ensures the following:

- Household is a first-time homebuyer
- Total household income is at or below 80% area median income
- Provide a fully executed Purchase and Sales Contract
- A minimum equity contribution of \$1,000 towards the purchase
- Purchase an eligible property in the FHLBNY District:
 - New York
 - New Jersey
 - Puerto Rico
 - U.S. Virgin Islands
- Completion of homeownership counseling
- Execution of a 5-year retention document at closing



Submitting a Reservation Request

- When does the reservation impact your member allotment?
 - At successful upload to the FHLBNY system
- What happens if your household reservation is withdrawn?








Submitting a Reservation Request

Request must be submitted as one zip file via the file transfer system and include the following:

- ☐ Income documentation
 - For all sources of income
- ☐ Purchase and Sales Contract
- ☐ Homeownership Counseling Certificate
- ☐ HDP Homebuyer Certification (HDP-004)
- ☐ Homebuyer Dream Program Request Form (HDP-005)
 - Select "New Household Reservation Request"
 - 100% Completed
 - MS Excel format, containing the ".xlsx" file extension

➤ If applicable:

- ☐ Zero Income Certification (AHP/HDP-001)
- ☐ Legal separation agreement and/or divorce decrees

-  1_Income Documents.pdf
-  2_Purchase and Sales Contract.pdf
-  3_Counseling Certificate.pdf
-  4_Homebuyer Certification.pdf
-  HDP Reservation Request.xlsx



COMMITMENT OF GRANT

- Upon review and approval of reservation request, FHLBNY notifies member via email

- Commitment:

- ☐ Valid for 120 days
- ☐ Not transferrable to another:
 - Purchase property
 - Member
 - Homebuyer(s)
- ☐ May not increase after issuance




- Commitments are emailed to the member
- The household closing and reimbursement of funds to the member must occur by the 120-day commitment expiration







Submitting a Funding Request

Request must be submitted as one zip file via the file transfer system at least 15 days prior to the commitment expiration

- ☐ Retention Documents 
- ☐ Closing Disclosure
 - Itemize **total** grant amount as “HDP Grant”
 - \$1,000 minimum equity contribution
 - Disclose non-profit counseling agency fee, if applicable
- ☐ Certification of Intent to Record
- ☐ Homebuyer Dream Program Request Form (HDP-005)
 - Select “Funding Request”
 - 100% Completed
 - MS Excel format, containing the “.xlsx” file extension

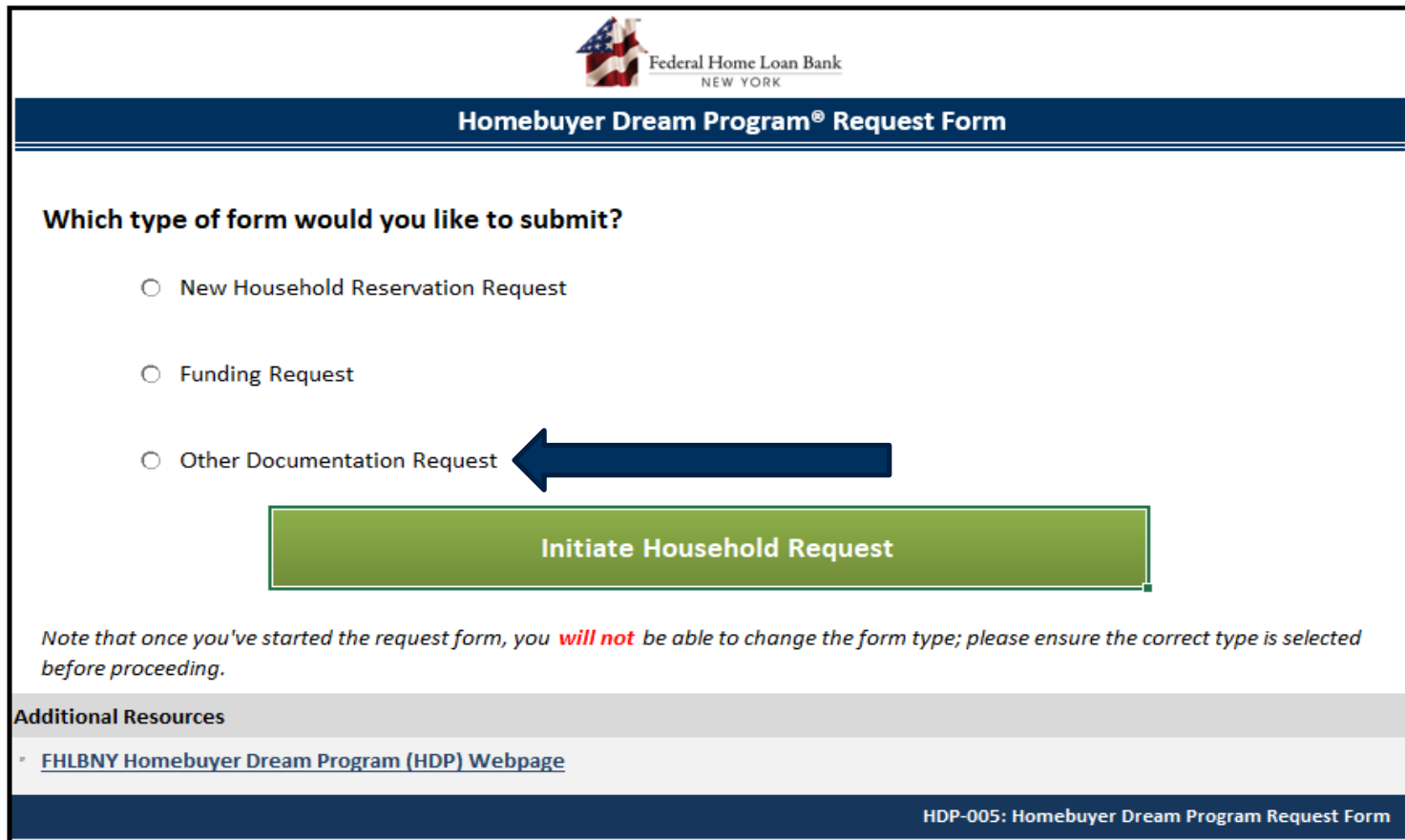
- Conventional Loan
 - ☐ Retention (HDP-006)
- Federal Housing Administration (“FHA”)
 - ☐ FHA Retention (HDP-006 FHA)
- Co-Op Financing
 - ☐ Retention (HDP-006 COOP)
- Puerto Rico
 - ☐ Retention (HDP-006 PR)
 - ☐ FHA Retention (HDP-006 FHA PR)

-  1_Retention Documents.pdf
-  2_Closing Disclosure.pdf
-  3_Certificate of Intent to Record.pdf
-  HDP Funding Request.xlsx



How to Use the Request Form

- New Household Reservation Request
- Funding Request
- Other Documentation Request



The screenshot shows the 'Homebuyer Dream Program® Request Form' from the Federal Home Loan Bank of New York. At the top, there is a header with the bank's logo and name. Below this, the title 'Homebuyer Dream Program® Request Form' is displayed in a dark blue bar. The main content area asks 'Which type of form would you like to submit?' and lists three options: 'New Household Reservation Request', 'Funding Request', and 'Other Documentation Request'. A large blue arrow points to the 'Other Documentation Request' option. Below the options is a green button labeled 'Initiate Household Request'. A note below the button states: 'Note that once you've started the request form, you **will not** be able to change the form type; please ensure the correct type is selected before proceeding.' At the bottom, there is a section for 'Additional Resources' with a link to the 'FHLBNY Homebuyer Dream Program (HDP) Webpage'. The footer of the form displays 'HDP-005: Homebuyer Dream Program Request Form'.

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Homebuyer Dream Program® Request Form

Which type of form would you like to submit?

☐ New Household Reservation Request

☐ Funding Request

☐ Other Documentation Request

Initiate Household Request

*Note that once you've started the request form, you **will not** be able to change the form type; please ensure the correct type is selected before proceeding.*

Additional Resources

* [FHLBNY Homebuyer Dream Program \(HDP\) Webpage](#)

HDP-005: Homebuyer Dream Program Request Form



ANALYSIS OF THE 2020 ROUND



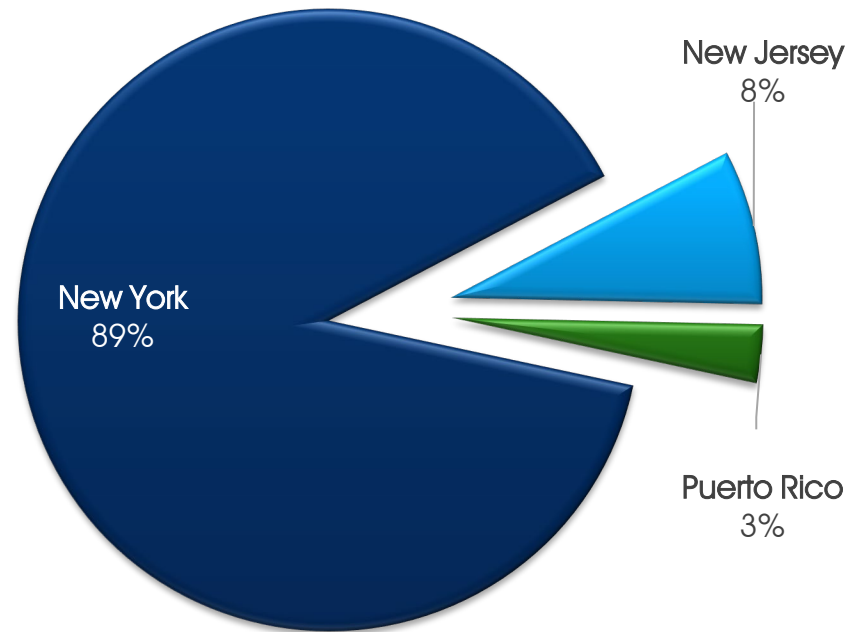
2020 Homebuyer Dream Program® Data

- \$14.85M Committed to households:
 - June: \$3.20M
 - July: \$3.58M
 - August: \$2.92M
 - September: \$5.15M
- 1,106 Total commitments issued to 64 participating members
- 98% Commitment success rate!

2020 HDP Household Demographics

Region	Median Purchase Price	Median Household Income
New York	\$141,246	\$53,443
New Jersey	\$229,055	\$64,952
Puerto Rico	\$84,728	\$21,835

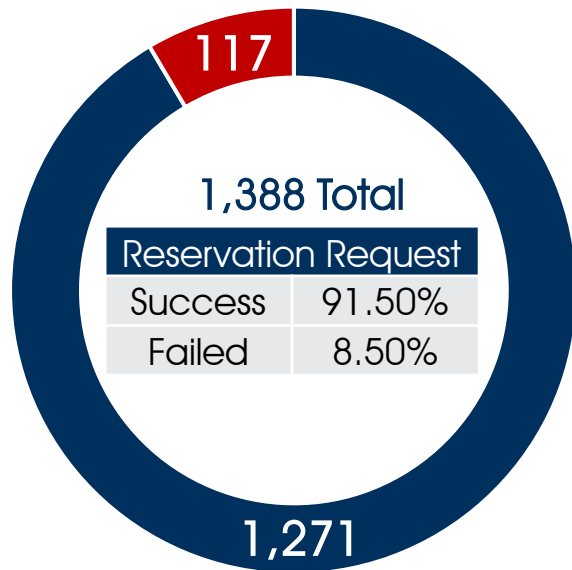
Geographic Distribution of 2020 HDP Commitments



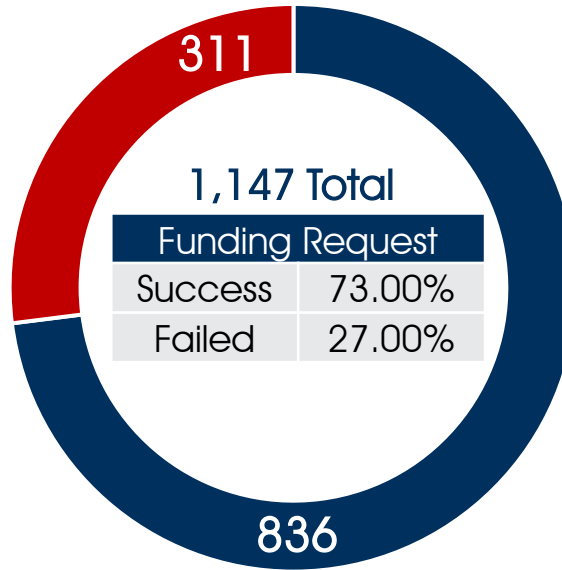
2020 HDP Request Form Data

- 3,570 HDP requests were submitted via the file transfer system
- 108 (3%) files received contained no HDP request form

457 of all HDP requests received were rejected



88 (75%) Duplicate reservation requests that should have been other requests



239 (77%) Duplicate funding requests which should have been other requests



Other documentations requests represent Incomplete packages



STRATEGIES FOR SUCCESS



Strategies for Success



Forms & Documents

- Always download forms from FHLBNY website
- Familiarize yourself with our AHP Implementation Plan, HDP guidelines, & HDP tutorials
- FHLBNY forms should not be saved on desktop
- Provide legible documents
- Review all packages prior to upload

Member Communication & Contacts

- Create a group email to receive FHLBNY commitments and funding notifications
- Ensure proper backups for times out of the office
- Be mindful of key dates to the program



Strategies for Success (continued)

File Transfer System

- Ensure all authorized users are prepared for round opening
 - Changes to authorized users require updated HDP Secure File Transfer Enrollment Form (HDP-002)
- Confirmation emails do not equate to successful upload to FHLBNY system
- Authorized users within an institution have mutual folder access
- Documents older than 90 days are removed on a quarterly basis

Pipeline Status Reports



- Provided to reconcile active pipeline
- Issued on a monthly basis via file transfer system
- Use to determine and communicate withdrawals
- Use as a tool for effectively managing the 120-day commitment period



2021 HDP Timeline



QUESTIONS & ANSWERS





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NEW YORK

Advancing Housing and Community Growth

Questions or additional information:

HDP@fhlbny.com



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