



Federal Home Loan Bank
NEW YORK

Homebuyer Dream Program[®]

2023 TRAINING SEMINAR

Today's Agenda



- Homebuyer Dream Program[®] Overview
- HDP[®] Allotment Methodology
 - ✓ Q&A
- HDP : Lifecycle
 - ✓ Q&A
- Member Administration of the Program
 - ✓ Q&A
- Analysis of the 2022 Round



HOMEBUYER DREAM PROGRAM OVERVIEW

Homebuyer Dream Program® Overview

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



- 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 nonprofit 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 March 27th, 2023, offering \$10M in grant funds



HOMEBUYER DREAM PROGRAM[®]

ALLOTMENT METHODOLOGY

Individual Member Allotment

Allotment Process

- To receive an allotment, members must provide the following by **February 10th, 2023:**
 - Member Participation Agreement (Form: HDP-001)
 - HDP Secure File Transfer Enrollment (Form: HDP-002)
- Allotments are communicated within 30 days of Round opening
- HDP participating members will be provided an individual allotment to be used for eligible households
- Members have until August 31st, 2023, at 5pm ET to fully reserve allotments



Reallotment Process → If remaining funds are available

- On September 5th, 2023, unreserved allotments will be redistributed in order of exhaustion
- Exhaustion is defined as a remaining initial allotment of \$10,000 or less

2023 Homebuyer Dream Program Round ends on November 30th, 2023, or when funds are exhausted whichever happens first

2023 Homebuyer Dream Program® Round

Allotments will be distributed equitably



Factors that determine individual member allotments:

- Total allocation for the HDP® Round
- Maximum grant amount
- Number of members that participate in the 2023 HDP® Round
 - Historical commitments of participating members
- Determination of the Round floor & ceiling

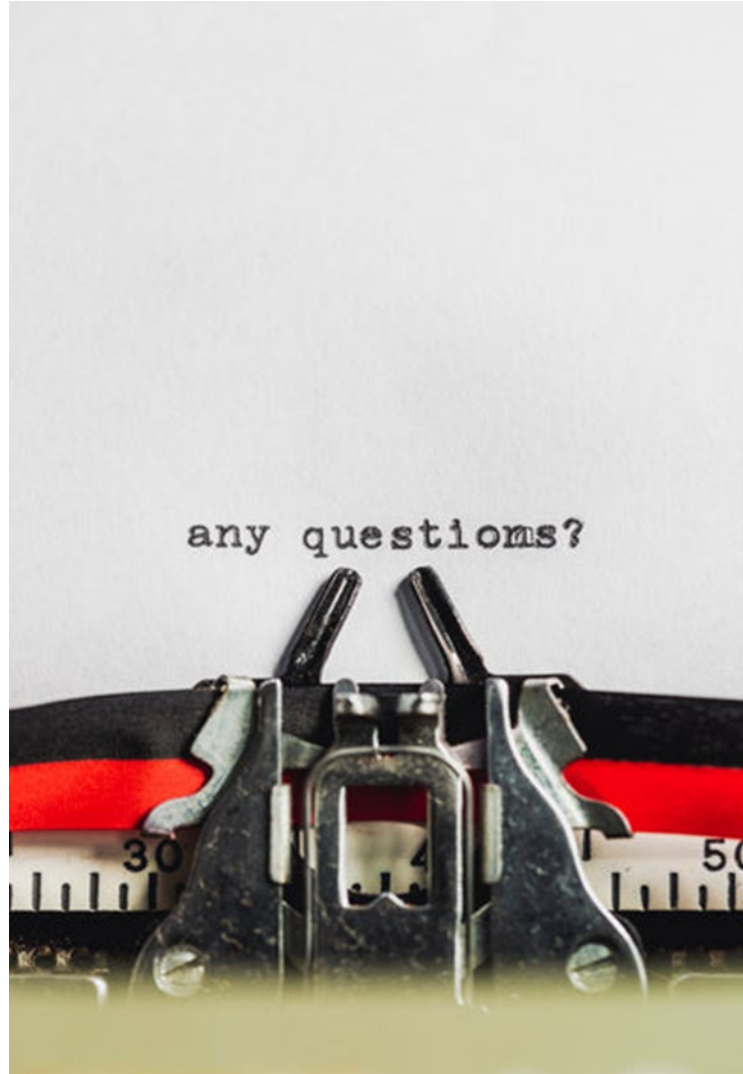
Homebuyer Dream Program[®]: Key Dates

2023 Annual HDP Round Details:

- Member Participation Agreement due: **February 10th**
 - *Members that do not comply with the February 10th deadline will be ineligible to participate in the 2023 HDP Round and will not receive an allotment*
- Communication of allotment: **Within 30 Days of Round Opening**
 - *2023 HDP Request Form will also be available on FHLBNY website*
- Round opens with initial allotment: **March 27th**
- Initial allotment ends: **August 31st**
- Reallotment begins for eligible members: **September 5th**
 - *Additional funds are not guaranteed - participating members with exhausted allotments may receive additional funds*
- Round closure: **November 30th** or when funds are exhausted - whichever comes first



Questions & Answers

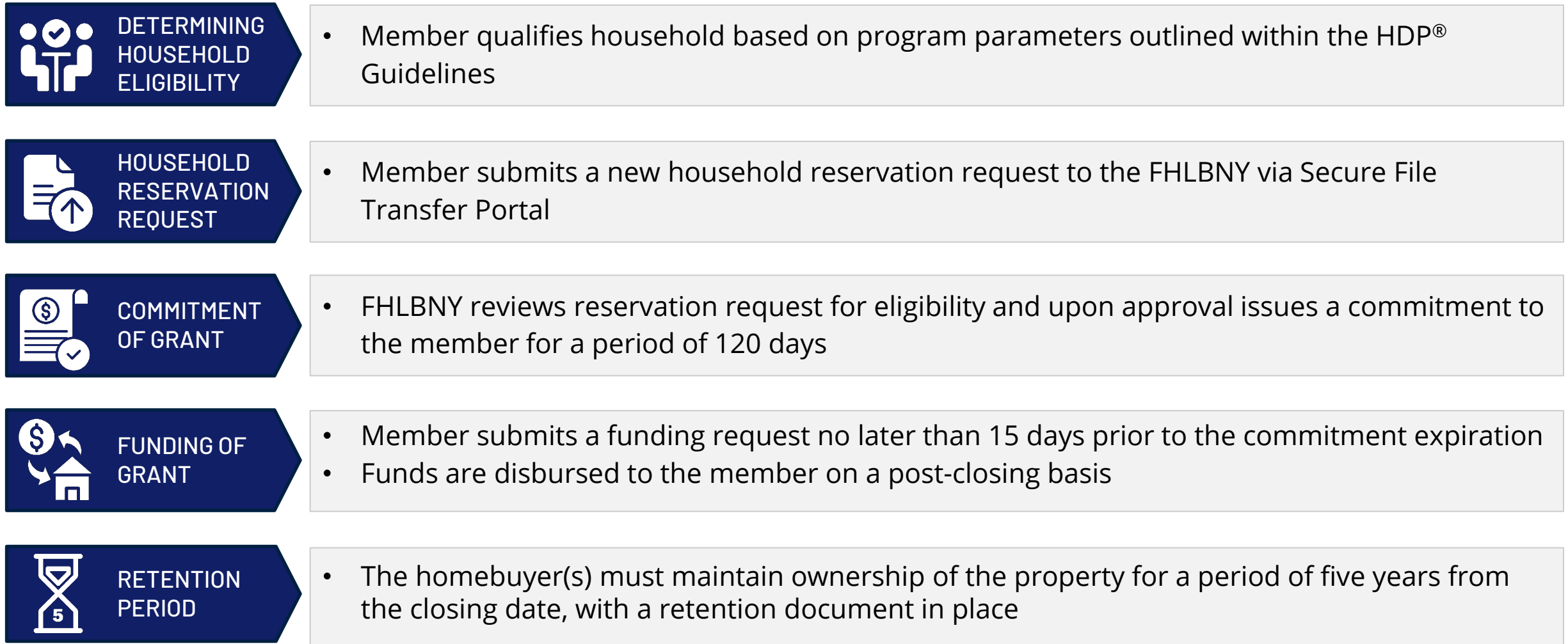




HOMEBUYER DREAM PROGRAM[®]

LIFE CYCLE

Homebuyer Dream Program[®] Life Cycle



Household Eligibility

Member determines initial household eligibility and must take the following actions:

- Vet the household and confirm that it qualifies as a first-time homebuyer, as per HDP guidelines
- Certify total household income is at or below 80% area median income
- Review and approve a fully executed Purchase and Sales Contract provided by household
- Confirm a minimum equity contribution of \$1,000 towards the purchase
- Validate that the household is purchasing an eligible property in the FHLBNY District:
 - New York
 - New Jersey
 - Puerto Rico
 - U.S. Virgin Islands
- Assess homeownership counseling certificate
- Ensure execution of applicable 5-year retention document at closing



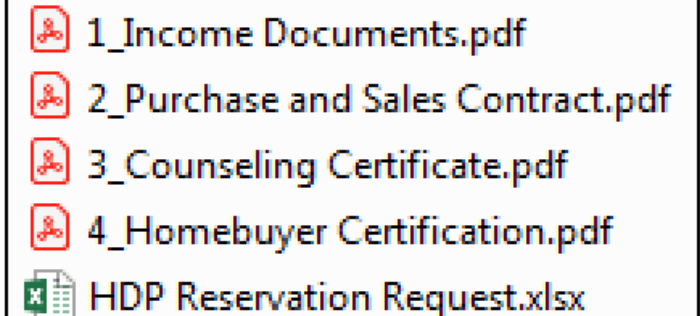





Submitting a Reservation Request

Request must be submitted as one zip file via the Secure File Transfer Portal 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

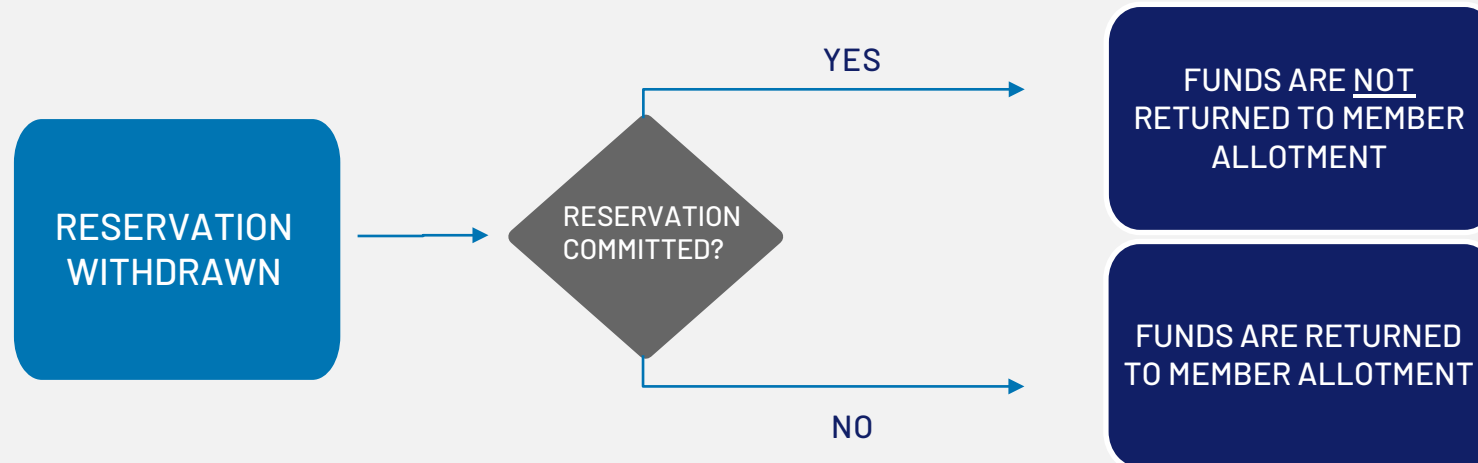


Submitting a Reservation Request

When does the reservation impact your member allotment?

- At successful upload to the FHLB NY system

What happens if your household reservation is withdrawn?





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
- The household closing and reimbursement of funds to the member must occur by expiration of the 120-day commitment
 - Reductions to household commitment amount do not result in a credit to member allotment

Submitting a Funding Request

Request must be submitted as one zip file via the Secure File Transfer Portal at least 15 days prior to the commitment expiration

- Homebuyer Dream Program® Request Form (HDP-005)
- Retention Documents 
- Closing Disclosure
 - Itemize total grant amount as “HDP® Grant”
 - \$1,000 minimum equity contribution
 - Cash back to household cannot exceed \$250
 - Grant layering is acceptable
 - Disclose nonprofit counseling agency fee, if applicable
- Certification of Intent to Record

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



Retention Period

- The Retention Period for HDP households is five (5) years from the date of closing
- The homebuyer(s) agrees to maintain ownership for a period of five years from the closing date. Repayment of a prorated portion of the HDP grant may be required
- The member agrees to notify the FHLBNY if an HDP household sells, transfers, or assigns title or deed of the subject property
- AHP Recapture Request Form and tutorial are located on the FHLBNY website
- HDP grant is forgiven at the end of the retention period if the homebuyer(s) owns the home for the full five-year term
- At the end of the five-year Retention Period, members are responsible for recording a release of lien





HOMEBUYER DREAM PROGRAM[®]

REQUEST FORM

HDP Request Form

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

The screenshot shows the 'Homebuyer Dream Program Request Form' interface. At the top, there is the Federal Home Loan Bank New York logo and the title 'Homebuyer Dream Program® Request Form'. Below this, a question asks 'Which type of form would you like to submit?'. There are three radio button options: 'New Household Reservation Request', 'Funding Request', and 'Other Documentation Request'. Each option has a blue arrow pointing to the left, indicating that these options are selected. 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 'FHLBNY Homebuyer Dream Program (HDP) Webpage'. The footer of the form contains the text 'HDP-005: Homebuyer Dream Program Request Form'.

2023 HDP Request Form Enhancements

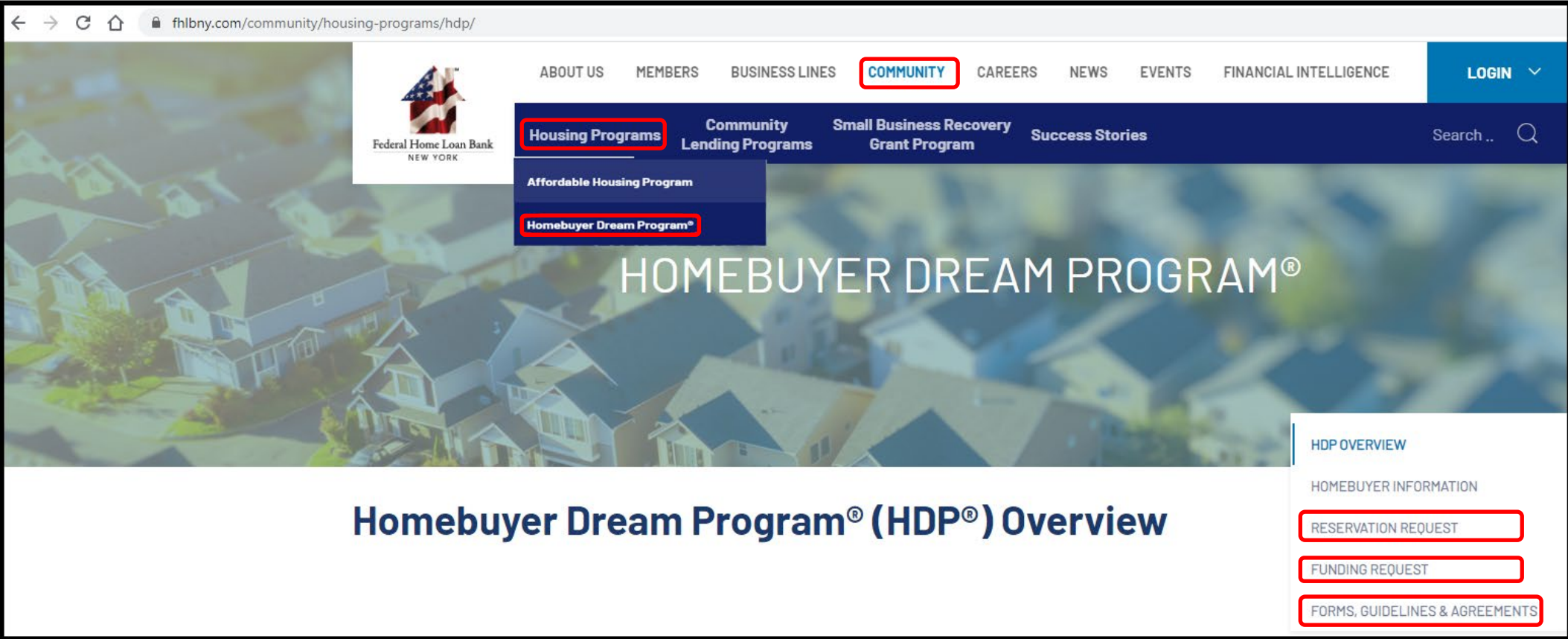
Enhancements provide easily accessible support, while completing the HDP Request Form:

- Instructional Tab – Provides instructions related to income documents required as well as calculation of household income.
- MRB/HUD Income Limits Tab – Income limits now incorporated within the HDP Income Calculation Worksheet. Note that the stand-alone income limits documents are no longer available via the FHLBNY website.

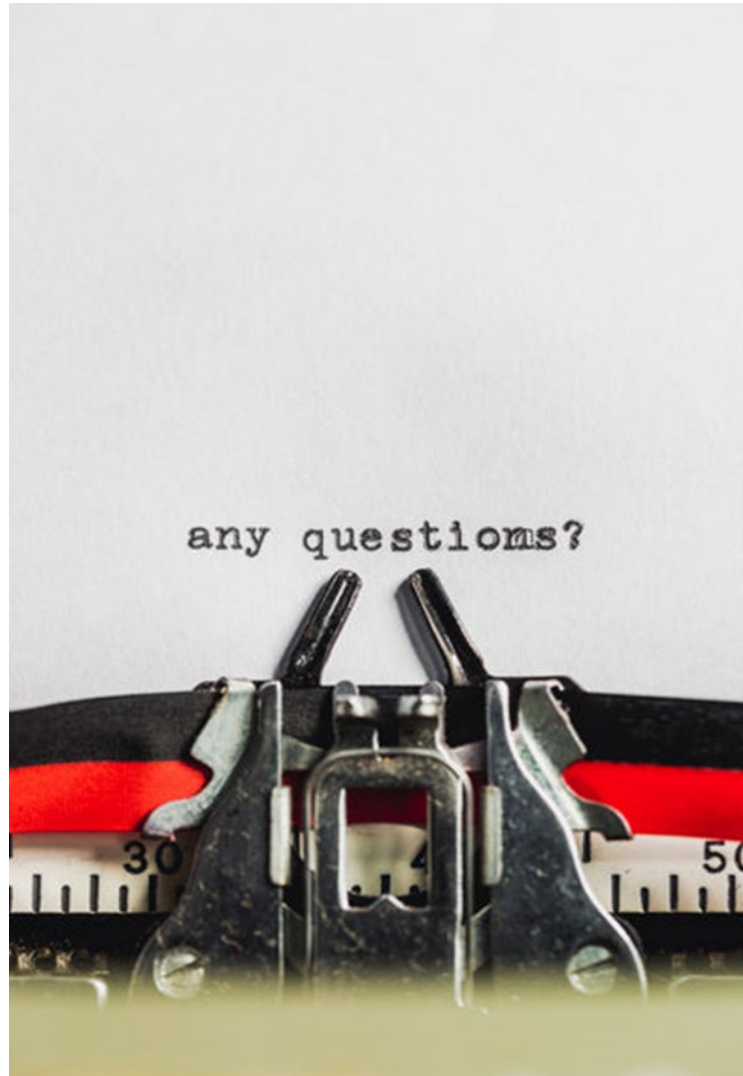


HDP Resources

The HDP Request Form, tutorials for HDP Reservation Requests, Funding Requests, Recaptures along with other forms, guidelines and agreements are located on the FHLBNY website



Questions & Answers





MEMBER ADMINISTRATION OF THE PROGRAM

Member Administration of the Program



Forms & Documents

- Familiarize yourself with our AHP Implementation Plan, HDP® Guidelines, & HDP® tutorials
- Files submitted via the Secure File Transfer Portal must be done as one Zip file
- HDP® Request Form (.xlsx file extension) is required for all submissions (Reservations, Fundings, Other Documentation)

Member Communication & Contacts

- The creation of a group email ensures your internal partners keep abreast during the household's lifecycle
- Ensure primary contacts have an alternate resource
- Everyone affiliated with HDP® within the organization should be familiar with key dates to the program

Member Administration of the Program



Reservation/Funding Requests

- FHLB NY forms must be downloaded from website for each individual intake
- Provide legible documents
- Review all packages prior to upload
- Reservation Requests with outstanding conditions are denied after 2 business days from receipt of email

Counseling

- \$500 in defrayment subsidy is paid directly to the nonprofit counseling agency at closing
- Counseling agency name and counseling cost must be itemized on the Closing Disclosure
- Counseling program must be provided by an agency that is accredited by HUD, a State Government or State Housing Finance Agency (HFA), or the National Industry Standards for Homeownership Education and Counseling

Member Administration of the Program



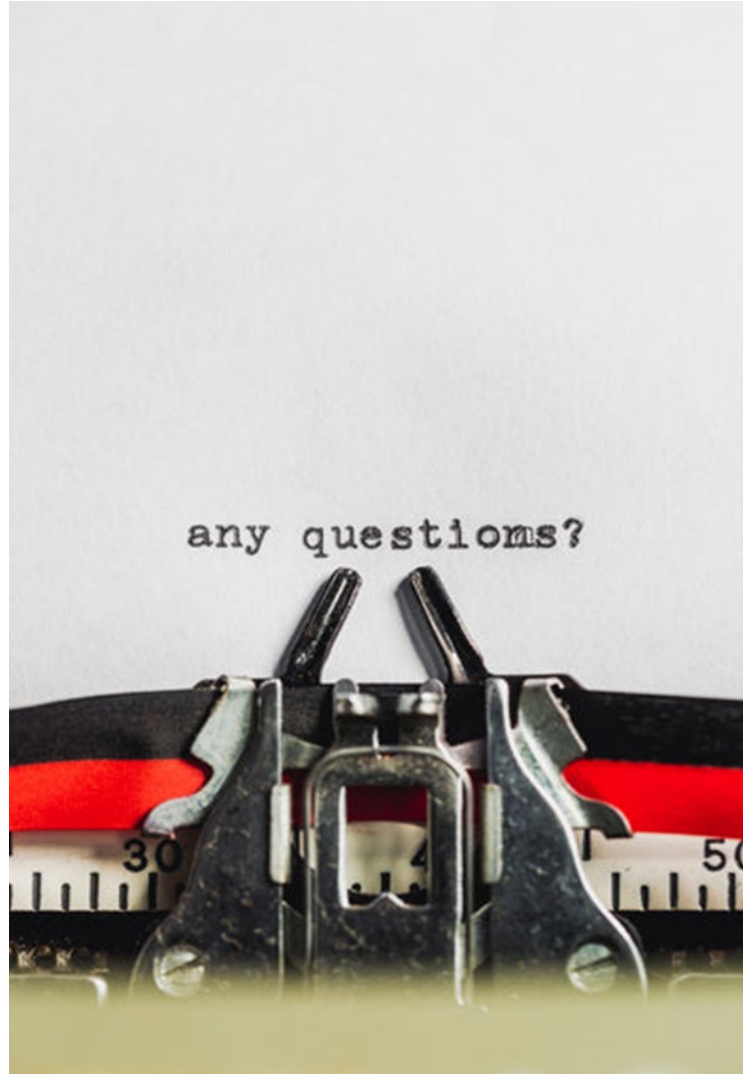
Tracking of Commitments

- It is the members' responsibility to monitor the commitment period
- Reimbursement of funds to occur by the commitment expiration date
- At the time of commitment expiration, the household is withdrawn from the program
- Once a commitment is issued, increases to the grant amount are not permitted

Pipeline Status Reports

- The FHLBNY uploads the report regularly via the Secure File Transfer Portal
- Use the report to effectively manage the 120-day commitment period
- Provided to assist with the reconciliation of your active pipeline
- Anticipate a 15 day turn time for all HDP transactions
- Managing expectations of turn times during peak season

Questions & Answers





ANALYSIS OF THE 2022 ROUND

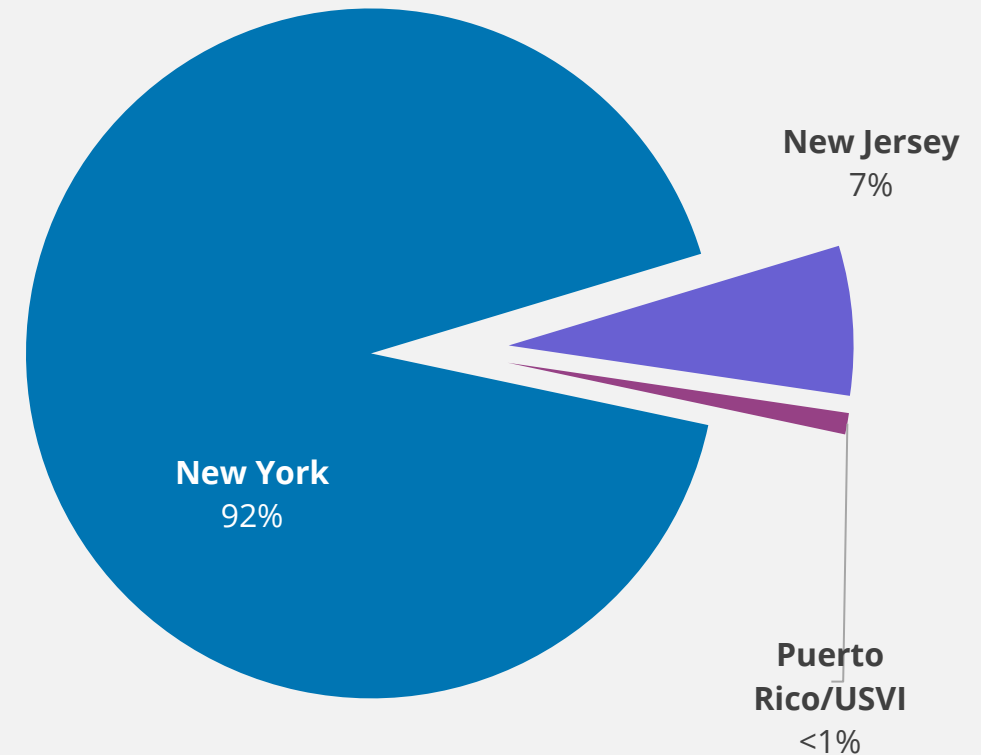
2022 Homebuyer Dream Program[®] Data

- \$10.9M Committed to Low/Moderate Income Households
- 1,217 Commitments were Issued to 60 Members
- 97% Commitment Success Rate

2022 HDP Household Demographics

| Region | Median Purchase Price | Median Household Income |
|------------------|-----------------------|-------------------------|
| New York | \$156,600 | \$56,642 |
| New Jersey | \$271,500 | \$64,733 |
| Puerto Rico/USVI | \$ 58,750 | \$27,166 |

Geographic Distribution of 2022 HDP[®] Commitments





Federal Home Loan Bank
NEW YORK

Advancing Housing and Community Growth



Questions or additional information:

HDP@fhlbny.com

The information provided by the Federal Home Loan Bank of New York (FHLBNY) in this communication 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.