



Community Investment Bulletin

FEDERAL HOME LOAN BANK OF INDIANAPOLIS

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2010 AHP Implementation Plan
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The FHLBI is pleased to announce that the 2010 Affordable Housing Program Implementation Plan is now available on our website at http://www.fhlbi.com/housing/imp_plan.asp.

Implementation Plan Key Changes: To provide stability in the current challenging environment, we are proposing only minor changes to the competitive AHP and homeownership set-aside programs. The proposed plan contains the same AHP scoring categories and maintains the existing set-aside programs.

Competitive AHP: As a result of the general satisfaction with the current plan in the competitive AHP scoring, only nominal changes are proposed, as described below. For 2010, the maximum amount of subsidy that may be requested per project in a single round is \$500,000.

Sponsorship by a not-for-profit organization or government entity –For Sponsor developers partnering with other for profit or not-for-profit organizations, the interest in developer fee required by the general partner was modified. The requirement for the sponsor/owner/general partner to maintain a participating interest in the developer fee equal to the percentage of interest as the general partner is amended to a minimum of 25%. The not-for-profit must have more than a 50% general partnership or ownership interest in the proposed project and have at least a 25% interest in the developer fee. This minimum participation in the developer fee is an eligibility requirement of the not-for-profit points. This change was deemed appropriate in the current economic environment to assist not-for-profits in attracting other development partners and investors.

Community Stability-We modified some of the green building criteria so that the costs of obtaining each point are more balanced.

- Building Orientation was changed to Building Envelope and Orientation. Seven options are available in this category with rehabilitation projects needing to select 3 options and new construction to select 5 options for a total of 2 points.
- Walkable Neighborhoods was removed as core criteria.
- Landscaping was expanded to Landscaping, Erosion Control and Water Reclamation with additional options for water retention.
- Minor changes were made to update the terminology in the Water Conservation, Efficient Energy Use and Healthy Living Environment categories.
- Additional Green Point Options –Options have changed to consist of insulated construction panels, insulated concrete foam block, 100% brick exterior or 100% non-fibrous cement siding for 3 points, and solar hot water system for 3 points.

Homeownership Initiatives:

- Owner's monthly housing expense ratio may not exceed 35% and the total monthly expenses ratio may not exceed 45%.
- The maximum grant for the Homeownership Opportunities Program is \$7500 per first-time homebuyer household.

- Owner-occupants of the home to be rehabilitated under the Neighborhood Impact Program must have resided in the home, as a primary residence, for at least six months prior to application with the member institution.
- The Refinance Assistance Program will expire on July 30, 2010, unless the sunset date is extended by the FHFA.

We wish you much success with your affordable housing and community development projects during 2010!

Sincerely,

A handwritten signature in cursive script that reads "MaryBeth Wott". The signature is written in a light grey or blue ink.

MaryBeth Wott

Vice President and Community Investment Officer