



FEDERAL HOME LOAN BANK
OF INDIANAPOLIS

Building Partnerships. Serving Communities.

Affordable Housing Grant Tools & Tips



Ten AHP Disbursement Tips

1. Review the scoring schedule provided with the executed AHP agreement. Ensure that design or green features for which points were awarded have been implemented into the construction phase. Submit a modification request for any scoring element that is not being implemented.
2. The disbursement request form acts much like a check list. It is not necessary to re-submit documents already provided in the application, as a contingency or with previous documentation. Duplications or omissions simply slow us down. Be thorough in preparing your documentation.
3. A draft of the completed Real Estate Retention Agreement (to be recorded after the 1st disbursement of funds) is required with the first disbursement. Before subsequent funds are disbursed a copy of the recorded agreement must be provided. Please do not send us the original document!
4. Changes in funding sources should be noted on the revised (AS UPDATED) financial workbook forwarded to the sponsor contact several weeks following the award announcement. Supporting evidence of all funding sources is required at disbursement. Commitment letters are generally included in the application - for disbursement mortgages, promissory notes and other evidence the funding source has moved from committed to secured is required.
5. Rarely does the contractor's invoice reconcile with the estimates (Uses) provided at application. Part of the funding process requires costs reconcile to contract amounts. This applies particularly with construction/rehab costs and contractor's fees. Be sure to net the contractor fees from the total contract amount generally detailed in the most current invoice submitted by the contractor. Cost documentation should be provided for the amount of funds requested.
6. If funds requested are reimbursement for soft, pre-development costs, paid invoices must be provided for reimbursement. The FHLBI limits the use of AHP to 20% of the AHP award for pre-development reimbursements.
7. Funds requested must be paid out to the contractor/vendor within 60 days of funding. Discuss with the member how funds will be made available and the member's policy regarding disbursement. This varies by member; the FHLBI will disburse funds to the member via a designated CMS account. The member controls the funds and disburses pursuant to their institution's internal policy.
8. ***Authorized and wet signatures are required for both sponsor and member on the disbursement request.***
9. If using AHP funds to fund developer fee, disbursements will be limited to the percentage of project completion achieved per the contractor's invoice. Twenty percent of the fee is withheld to certified completion of the project.
10. A complete, up to date financial workbook is required with each disbursement – even if there have not been changes since the application or last submission. Further, monitoring and reporting that may be delinquent on other open AHP projects will be considered when processing disbursement requests.