



FEDERAL HOME LOAN BANK  
OF INDIANAPOLIS

Building Partnerships. Serving Communities.

# Affordable Housing Grant Tools & Tips



## AHP Modification & Extension Requests

### Modifications

Any significant or proposed changes to a project or changes that would have affected the score of a project, must be communicated to and approved by FHLBI. In order for a modification to be considered, there must be a good cause for the modification, incorporating the proposed changes would allow the project to meet eligibility requirements described in the AHP regulation and the sponsor or owner must have made best efforts to avoid noncompliance.

When changes occur, FHLBI must re-score the project's application as if the change were in effect at the time of application. This means for the given category, FHLBI will determine what the score would have been with the proposed change. If the project doesn't re-score higher than the first unfunded alternate project in the funding round awarded, options are limited and decommitment or recapture of the award may be necessary. FHLBI will meet with the project sponsor and member financial institution to discuss options.

The most common modification requests are for changes in targeting, changes in the number of units to be developed, project design elements, member financial involvement and not meeting other application commitments.

#### Tips

- Be reasonably sure you can fulfill all commitments made in your application. This will avoid the need for modification requests and possible loss of subsidy.
- If modifications are necessary, submit a *Modification Request* as soon as possible and before the project is completed.

### Modification Tips (Cont'd)

- If a manager's unit in a rental project is not AHP income-qualified at the targeting level committed to in the application, do not include that unit with total AHP units.
- Make sure all required attachments, including updated financial workbooks, are included.

### Extensions

If an extensive delay in the progression of a project occurs and it becomes apparent that the FHLBI AHP disbursement and completion deadlines cannot be met, an extension should be requested. In order for an extension to be considered, there must be a good cause for the lack of project progression, evidence that the proposed extension would allow the project to meet future AHP disbursement and completion deadlines, and the sponsor or owner must have made best efforts to avoid noncompliance.

#### Tips

- Make every effort to meet FHLBI AHP deadline commitments. This will avoid the need for extensions and possible loss of subsidy.
- If an extension is necessary, submit an *Extension Request* as soon as possible and before the deadline has passed.
- Make sure all required information to evaluate the request, including updated financial workbooks, are included.