

## **Affordable Housing Program (AHP) Member Rewards & Responsibilities**

Your institution's support for vital affordable housing and economic development initiatives where you do business may enhance your public image and facilitate community outreach efforts. The Affordable Housing Program is an opportunity to strengthen existing business relationships, attract new customers and accounts, and may better position you to compete for the construction, permanent, or home mortgage loans on AHP-assisted projects. Collaborating with a community nonprofit to apply for AHP funds is one way to receive CRA service credits from your regulator.

### **The Member's Role During Disbursement**

Subsidies received by a member must be disbursed to the project sponsor and applied to a project or program costs within thirty days of the date funds are posted to a member's Settlement Transaction Account. Projects may be assessed an interest charge on funds not used within the thirty-day period.

### **AHP Retention Mechanisms**

Members must ensure that AHP retention agreements are duly executed and recorded. The Bank provides template AHP promissory notes and riders to the member's deed of trust for use in both rental and owner-occupied projects.

If these templates are not used or are substantially modified, an opinion letter on behalf of the member must be submitted along with the non-template retention documents.

The Bank will not review the member's AHP retention documents for the purpose of determining the legal enforceability of the documents. Rather, the Bank expects and relies on the member to prepare and submit to the Bank appropriate retention documentation that satisfies AHP regulatory requirements and is legally enforceable by the member against the project.

### **The Member's Role During Compliance Monitoring**

The member may be required to exercise reasonable collection efforts to recapture AHP subsidy in the event of non-compliance with AHP regulations or project scoring commitments.