

# 2025 AHP Scoring and Required Documents



# Agenda

- AHP overview
- Scoring criteria and 2025 changes
- AHP scoring review
- Required documents submission
- Review of all required documents
- AHP resources and contact information

# Affordable Housing Program



# AHP Overview

- Provides direct grants to support the development of ownership and rental housing for very low- to moderate-income households ( $\leq 80\%$  AMI).
  - Federally-regulated.
  - Guided by the AHP Implementation Plan.
- Competitive application process; projects are evaluated based on:
  - Eligibility and threshold requirements
  - Financial feasibility
  - Scoring criteria

# Scoring Criteria

# AHP scoring criteria

AHP projects that are determined to be feasible and meet eligibility criteria will be scored and ranked according to the scoring system defined in the Scoring Criteria section of the AHP Implementation Plan.

- Some scoring categories award a variable number of points based on the degree to which a criterion is satisfied and others are fixed points.
- Sponsors will be given a self-score after completing questions in applications. These may be altered depending on the supporting documentation submitted.

# Locating Self-Scores

Certifications | Other AHP Application

Are there any other explanations or documents you feel FHLB should be aware of while reviewing this application? Upload Exhibit N if the answer to this question is "Yes." You may use Exhibit N to explain any unusual project features or an apparent discrepancies between the AHP application, its reports, or the Required Documents, but you may not use Exhibit N to "correct" the application in any way. You do not need to repeat any information in Exhibit N that is provided elsewhere in this application.

Yes

Requires Document N

UPLOAD DOCUMENT

[← BACK](#) [RETURN TO SPONSOR](#) [SUBMIT TO FHLB](#) [SAVE AND EXIT](#)

Application Guidance

- Contact FHLB Cincinnati
- Full List of Required Documents
- AHP Implementation Plan
- Navigation Instructions**

- AHP COMPLETED APPLICATION
- DEVELOPMENT BUDGET
- AHP OPERATING BUDGET
- FEASIBILITY REPORT
- SCORE SHEETS


Need help?

Housing and Community Investment (888) 345-2246  
OASYS Registration Questions [Housing@fhlbcin.com](mailto:Housing@fhlbcin.com)  
AHP Application Questions [AHPApplication@fhlbcin.com](mailto:AHPApplication@fhlbcin.com)

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# Application scoring sheet



**Application Evaluation**  
Department: Housing and Community Investment

Project Number:		Self Score:	63.82	Final Score:	63.82
Project Type:	Rental	Project Activity:	New Construction of Units		

Project Name:	Test Bond Project	
Primary Member:	The Huntington National Bank - Columbus, OH	Second Member:
Primary Sponsor:	AHP Nonprofit Test	Secondary Sponsor:
Sponsor Type:	Non-Profit	Secondary Sponsor Type:

Grant Requested:	\$1,500,000.00	Final Total Project Costs:	\$61,432,146.00
Final Grant Amount:	\$1,500,000.00	Final TPC/Unit or Bed:	\$381,566.12

**PROJECT UNITS:**

Total Units or Beds:	161	First-time Homebuyers	0	Energy Efficient Units	161
<= 50%	93	Special Needs Households	50	Substantial Rehab Units	0
>50 to <= 60%	4	Homeless Households	0	in Appalachia Counties	161
>60 to <= 70%	0	Donated / Below Market	0		
>70 to <= 80%	64				
>80% (market rate)	0				

**Scoring:**

	<u>Self-Score</u>	<u>Final Score</u>		<u>Self-Score</u>	<u>Final Score</u>
<b><u>First-Time Homebuyer (0 of 161 units)</u></b>			<b><u>Projects in Appalachia (161 of 161 units)</u></b>		
First-Time Homebuyer (Ownership only)	0.00	0.00	Projects in Appalachia	3.00	3.00
<b><u>Housing for Homeless Households (0 of 161 units)</u></b>			<b><u>Outside Funding Commitments</u></b>		
> 85%	0.00	0.00	Outside Funding Commitments	2.15	2.15
> 50% - <= 85%	0.00	0.00	<b><u>AHP Leverage</u></b>		
> 20% - <= 50%	0.00	0.00	AHP > 1% but <= 25% of Total Residential Costs	3.00	3.00
Subtotal Housing for Homeless Households	0.00	0.00	AHP > 25% but < 50% of Total Residential Costs	0.00	0.00
<b><u>Member Financial Participation</u></b>			Subtotal AHP Leverage	3.00	3.00
First Mortgage Permanent Loan	6.00	6.00	<b><u>Donated or Conveyed Property (0 of 161 units)</u></b>		
Construction Loan/Bridge Loan	2.00	2.00	Federal Government Properties	0.00	0.00
Member Cash Contribution	0.00	0.00	Donated Properties (unrelated party within 5 years)	0.00	0.00
Servicing of Borrower Loans (Ownership only)	0.00	0.00	Below Market Properties (unrelated party within 5 years)	0.00	0.00
Lender Concessions - Reduced Rates (on permanent loan)	2.00	2.00	Subtotal Donated or Conveyed Property	0.00	0.00
Lender Concessions - Reduced Rates (on construction loan)	0.00	0.00	<b><u>Project Sponsorship</u></b>		
Subtotal Member Financial Participation	10.00	10.00	Primary Sponsor a Non-Profit 501(c)(3) or (c)(4)	2.00	2.00
<b><u>Projects in-District (KY, OH, TN)</u></b>			Sponsor Financial Contribution	2.00	2.00
Projects in-District (KY, OH, TN)	5.00	5.00	Predevelopment Activities (Primary Sponsor is Developer)	0.00	0.00
<b><u>Rental and Owner-occupied Rehab Projects</u></b>					
> 85% of Units	0.00	0.00			
> 70% - <= 85%	0.00	0.00			



# AHP scoring (100 point system)

## FHLB Cincinnati Priorities

- Member Participation (10)
- First-time Homebuyers (6)
- Projects in OH, KY& TN (5)
- Opportunities for Disadvantaged Areas (3)
- High Volume Projects (1)
- AHP Subsidy per Unit (10)

## All FHLBs

- Donated Property (5)
- Sponsorship (9)
- Empowerment (5)
- Underserved Communities and Populations (18)
- Income Targeting (20)
- Community Stability (8)



# 2025 Scoring Changes

- **Member Financial Participation:** reallocated points within the category to award more points for projects whose Members provide deeper discounts on permanent and construction loans
- **Outside Funding Commitments:** replaced this three-point scoring category with the **Opportunities for Disadvantaged Areas** scoring category, which awards points to ownership projects in a majority-minority and/or rural census tract with a median family income percentage less than 51%



## 2024 Scoring Changes (Cont.)

- **AHP Leverage:** replaced this three-point scoring category with the **High Volume Projects** scoring category. Projects that involve 75 or more units will receive one point
- **Project Sponsorship:** The additional two points from AHP Leverage will be allocated to this scoring category to increase the number of points a project can receive when the Sponsor provides the first mortgage permanent loan
- **AHP Subsidy per Unit:** increased the maximum to get points from \$28,000 to \$29,000



## 2024 Scoring Changes (Cont.)

**Community Stability:** restructured the energy efficiency and the climate resiliency scoring criterion:

- The energy efficiency scoring criterion will be broken into three tiers, separated by the rigor involved in achieving each certificate
- The climate-resilient scoring criterion will be broken into two tiers, separated by the rigor involved in achieving each certificate
- The minimum standard for being awarded points for substantial rehab of units increased from \$18,392 to \$19,293 per unit

# Scoring Review



# Member participation (max 10 points)

- 5 points - Provision of first mortgage permanent loan(s) with term(s) of at least 15 years (2.5 points for financial consortiums).
- 1 point - Provision of a construction or bridge loan (0.5 points for financial consortiums).
- 1 point - Cash contribution of  $\geq$  \$2,000.
- 2 points - Servicing of borrower loans for ownership projects.

# Member participation (cont.)

Lender's concessions:

- Provision for a rate of at least 1.0% below market on a loan:
  - 2 points for discounted construction or bridge loan.
  - 3 points for discount on the permanent loan.
- Provision for a rate of at least 0.50% below market on a loan:
  - 1 point for discounted construction or bridge loan.
  - 2 points for discount on the permanent loan.

# First-time homebuyers (max 6 points)

- Points are based on the proportion of units meeting the FHLB's definition.
- First-time homebuyer is an individual or household who has not owned a home at least three years prior to the purchase of an AHP funded home. The following exceptions apply:
  - Displaced homemakers or single parents that owned a home with spouse or lived in a home solely owned by a spouse.
  - Individuals or households who own homes that are not intended as dwellings, are “Mobile Homes”, or are not in compliance with building codes and cannot be brought into compliance for less than new construction.



# Projects in-district (max 5 points)

- Projects with all units located in FHLB's Fifth District (consisting of Ohio, Kentucky and Tennessee) will receive five points in this scoring category.
- Projects with **any** units outside of Ohio, Kentucky and Tennessee will not receive **any** points in this scoring category.



# Underserved communities & populations (max 18 points)

- May earn up to 18 points in this category based on percentage of households served in each of the following scoring criterion:
  - Special Needs Households
  - Homeless Households
  - Housing in Appalachia

# Special needs housing (max 10 points)

- Rental and Owner-occupied Rehab scale:

## **% of Units Reserved**

## **Points**

- > 85% of units 10 pts.
  - > 70% - ≤ 85% of units 8 pts.
  - > 50% - ≤ 70% of units 6 pts.
  - > 35% - ≤ 50% of units 3 pts.
  - > 20% - ≤ 35% of units 2 pts.
  - = 20% of units 1 pt.
- Ownership projects reserving at least 20% of the units for households with special needs (5 points).

# Special needs definition

“Special needs” means any person or household member meeting one of the following definitions:

- Person aged 60+
- Physically, mentally or developmentally disabled
- Persons with AIDS
- Chemically dependent
- Physically or emotionally abused
- Co-occurring disability
- Persons aging out of foster care, orphanage or residential facility

# Homeless housing (max 5 points)

- Projects creating housing reserved for “Homeless households” will receive points based on the percent of targeted units:

<b>Percent of Units Reserved</b>	<b>Points</b>
◦ >85%	5 pts.
◦ >50% and ≤85%	2 pts.
◦ ≥20% and ≤50%	1pt.

- Units occupied at application, and shelters, are not eligible for these points.

# Homeless household definition

“Homeless household” means a household made up of one or more individuals, who:

- Reside in overcrowded housing.
- Are facing loss of their home due to condemnation /eviction.
- Lack a fixed, regular, and adequate nighttime residence.
- Aging out of foster care.
- Fleeing or attempting to flee domestic violence or other dangerous/life threatening situation.
- Household displaced by natural disaster or eminent domain.

# Homeless household definition (cont.)

- Have a primary nighttime residence that is:
  - A supervised publicly or privately operated shelter.
  - An institution that provides a temporary residence for individual intended to be institutionalized.
  - A public or private place not designed for, or ordinarily used as, a regular sleeping accommodation for human beings.
  - A “pre-1976 mobile home.”

# Housing in Appalachia (max 3 points)

- Projects with all units in counties that the Appalachian Regional Commission defines as “Appalachian” will receive max points allowed.
- Rental projects with some units in Appalachian counties will receive a prorated portion of the total points available.
- Ownership projects that intend to include units in some counties outside of Appalachia will receive no portion of these points.
- Points are awarded based off of information stated in the application.



# Creation of Opportunity for Disadvantaged Areas (3 points)

- Projects that commit to reserving at least half of the units in the project for households living in one or both of the following disadvantaged areas at the time they apply will receive the points:
  - Census tracts identified as containing a tract minority percentage greater than 50% by the FFIEC
  - Addresses defined as rural by the USDA who are also located in a census tract identified by FFIEC as having a tract median family income percentage less than 51%
- Points are only available to ownership projects

# High Volume Projects (max 1 point)

- Projects that involve 75 or more units can receive one point in this scoring category
- Applicable to all project types – rental, ownership, new construction, rehabilitation and bed projects

# Donated/conveyed property (max 5 points)

- Property is “donated” when it is given to a project for free or for \$10 or less.
- Points awarded if at least 20% of the units will be transferred to the sponsor, project, or homebuyer **within five years** of application deadline:
  - 3 points - Property conveyed significantly below market value, meaning it is transferred for 50% or less of fair market value, by an unrelated party.
  - 5 points - Property donated by federal government or unrelated party.

# Sponsorship (max 9 points)

Points awarded to sponsor's meeting FHLB definition of "Eligible Sponsor" *and* are the sole provider of the activity.

- 2 points - Primary sponsor that is a 501(c)3 or 501(c)4 organization.
- 2 points - Financial Contribution of at least \$2,000
- 3 points - First mortgage permanent loans (ownership).
- 1 point for each of the following:
  - Pre-development activities (if sponsor is sole Developer).
  - Construction/rehab by sponsor (if sponsor is General Contractor).
  - Marketing/outreach activities (ownership).
  - Property management (rental).

# Empowerment (max 5 points)

- Sponsors, or a community organization, providing the following opportunities to all tenants or homeowners in a project will earn the following points:
  - 2 points- Credit counseling/budgeting or Financial Literacy (*Rental or Ownership projects*)
  - 5 points - Mandatory homebuyer/homeowner counseling. (*Ownership projects only*)
  - 3 points – Tenant payment reporting to credit bureaus (*Rental projects only*)

# AHP subsidy per unit (max 10 points)

- The highest number of points are awarded for projects using the least amount of AHP subsidy.
- Unit count is based off of “AHP eligible” units only.
- Prorated as a percentage of the maximum number of points for projects requesting less than or equal to \$29,000 in AHP subsidy per unit.
- The AHP Subsidy calculator can be used to determine score in this category.

# AHP Subsidy Scoring Calculator

The screenshot displays a web application interface with a dark blue header. The navigation menu includes 'SPONSOR PROFILE', 'ADMIN', 'CONTACT', 'APPLICATION TOOLS', and 'HOUSING'. The 'APPLICATION TOOLS' dropdown menu is open, listing the following items: 'AHP Application Required Documents List', 'AHP Financial Templates in Excel', 'AHP Subsidy per Unit Calculator' (circled in orange), 'Donated Property Scoring Calculator', 'Hard Costs Index', 'Income Targeting Calculator', 'Members Terms and Conditions Form', and 'MOU Form'. Below the navigation menu, a progress bar features two steps: '3 Threshold' and '4 Feasibility'. A blue bar with the text 'Submitted' is visible below the progress bar.

# Income targeting (max 20 points)

- Points are based on the weighted average income of households to be served according to the scale below:

	<b>Rental</b>	<b>Owner</b>
◦ > 65% and ≤ 80%	15 pts.	16 pts.
◦ > 60% and ≤ 65%	16 pts.	17 pts.
◦ > 55% and ≤ 60%	17 pts.	18 pts.
◦ ≤ 55%	18 pts.	19 pts.
◦ 60% of units @ ≤ 50% AMI	20 pts. (rental)	
◦ 100% of units @ ≤ 50% AMI	20 pts. (ownership)	

- Rental projects **must** fill at least 20% of units with households with incomes at or below 50% of median.



# Community stability (max 8 points)

- Energy Efficiency – up to 5 points awarded for the creation of energy-efficient units on new construction projects only as verified at the time of disbursement. Points are awarded based on the number of units committing to one of the following certificates at time of application:

# Community stability (max 8 points)

5 points	3 points	1 point
LEED Platinum or Gold	LEED Silver	LEED Certified (not Platinum, Gold or Silver)
Passive House	EarthCraft	WaterSense Homes
HERS rating below 55	HERS rating between 55 and 62, inclusive	HERS rating between 62 and 70, excluding 62
Evergreen Sustainable Development	DOE's Home Energy Score (7 or above)	REScheck certification (design exceeds 2021 International Energy Conservation Code by 15 percent or better)
DOE's Zero Percent Energy-Ready Home (ZERH)	National Green Building Standard's Gold	National Green Building Standard's Silver or Bronze
National Green Building Standard's Emerald	Energy Star/Energy Star Multifamily New Construction	
	Enterprise Green Communities	

## Community stability (cont.)

- 5 points - Substantial rehabilitation of at least \$19,293 per unit in construction hard costs for all projects not involving owner-occupied rehab projects.
- 7 points – Rehabilitation of owner-occupied units with hard cost of \$5,500 or more.
- Climate Resiliency – up to 3 points awarded for the creation of climate-resilient housing (rehab or new construction). Points are awarded based on which certificate the project commits to at time of application and the number of units being committed, both of which are verified at time of disbursement

# Community stability (cont.)

3 points	1 point
National Green Building Standard's Emerald	National Green Building Standard's Green + Resilience
U.S. Resiliency Council	Evergreen Sustainable Development
SITES	FORTIFIED Roof
FORTIFIED Gold	Enterprise Green Communities Plus
REDi Gold or Platinum	REDi Silver
Passive House	FEMA Flood (only for housing at risk of flooding)
LEED Platinum	

# Caution: “Just trying to score high”

- Do not commit to scoring criteria that you think your project can achieve—only commit to what you **know** the project can do and **can document!**
- **As a last resort**, FHLB can modify a project to remove commitments once an AHP award is made if the change is warranted, according to the AHP IP and regulation.
- If the project cannot be modified and remain in the funded range, **all AHP subsidy may be withdrawn or recaptured.**

# Required Documents

# Submitting required documents

Required documents are requested based on how questions are answered in the online application and can be uploaded at the question level,

What is the total residential square footage for the project (not including Non-residential or Commercial space)? Upload Exhibit L4 in conjunction with this question.

Requires Document L4 ⓘ

Uploaded Documents:

File Name	Document	Date Uploaded
201601-0045 All purpose.docx	L4	1/24/2018

[VIEW](#)

or

Uploaded at the end of the Scoring of the application.

Certifications | Required Documents Review AHP Application

All Required Documents must be uploaded before submitting the application. If you do not believe a specific Required Document applies to this project, upload an explanation of why the document does not apply. The following is a list of documents required for this application; **upload any missing required documents** outlined in red text boxes below. Also be sure to check the bottom of this list for any feasibility alerts the application has generated and upload any necessary documentation for them as well.

✳

**Upload Document A1:** Exhibit A1 - Executed "Terms and Conditions for Member" document for the Primary Member in the project (this document is posted under Application Guidance). The document must be: A. Signed by a representative of the Member authorized to draw funds from the FHLB; and, B. Dated in the current year.

UPLOAD DOCUMENT

Question: Primary Member Name ⓘ

**\*This question is missing required documents**

# Submitting required documents

- All Required Documents must be uploaded prior to submitting the application to the member.
- Specific instructions are given on each exhibit explaining what is required.

Upload Document L3a: Exhibit L3a - RENTAL REHAB PROJECTS ONLY: Document the amount of existing reserves the project currently has in place. Provide a copy of the bank statement for the reserve account(s). These funds must appear as a funding source in this application unless adequate justification for excluding them from this application is provided.

UPLOAD DOCUMENT

Question: Project Activity ⓘ

\*This question is missing required documents

- An explanation of each exhibit requirement may also be found by clicking on “**Full List of Required Documents**” in the Application Guidance of the online application or from the OASYS “Application Tools” menu.




# Required document formatting

Documents must generally show all of the following:

- Source of the information (IRS, member, etc.), often including the signature from the source.
- Name of the project/AHP project Application ID#.
- Current year's date (some exceptions apply).
- Content as specified for exhibit.


# Required documents listing

Full list available under “Application Tools” in OASYS application.



## 2025 Affordable Housing Program

### Required Documents



NOTE: This is an all-inclusive list of each required document that may be requested as a result of answers entered into the Federal Home Loan Bank of Cincinnati (FHLB) Affordable Housing Program (AHP) online application. The amount of documents required for each individual application will be substantially less than what appear in this all-inclusive list. All required documents must be uploaded in OASYS before the application can be submitted to the FHLB.

Exhibit	Description	Type of project(s) for which exhibit applies (Rental, Ownership, both)
A1	Executed “Terms and Conditions for Member” document for the Primary Member in the project (this document is posted under Application Guidance). The document must be: A. Signed by a representative of the Member authorized to draw funds from the FHLB; and, B. Dated in the current year.	Both
A2	Executed “Terms and Conditions for Member” document for each other Member participating in the project as identified in the AHP application (this document is posted under Application Guidance). The document must be: A. Signed by a representative of the Member authorized to draw funds from the FHLB; and, B. Dated in the current year.	Both
A5	Executed “Terms and Conditions for Sponsor” document for the project’s Primary Sponsor (this document is posted under Application Guidance). The document must be: A. Signed by the Sponsor’s Chief Executive Officer/President/Executive Director or the Sponsor organization’s Board Chair; and, B. Dated in the current year.	Both

# Exhibits A1 / A2

## Member terms and conditions

- Contains acknowledgments, representations and warranties as part of the contract between the member, sponsor, and the FHLB.
- Submitted by each member drawing AHP funds.
- Document must be:
  - Signed by an individual at the member institution authorized to draw funds from FHLB.
  - Dated in the current year.

# Exhibits A5/A6

## Sponsor terms and conditions

- Executed terms and conditions for the primary sponsor (A5) and secondary sponsor (A6), if applicable.
- Found under “Application Guidance” in the online application.
- The document must be:
  - Signed by chief executive officer, president, executive director, board chair or another sponsor officer.
  - Dated within the current year.

# Exhibit A7

## Previous AHP award documentation

Required if project received AHP funds from FHLB Cincinnati or another Federal Home Loan Bank.

- Provide evidence of award of the AHP award amount.
- All financials for original award.
- Information on changes or modifications to project.
- Original AHP application.

# Exhibit A8

## Second sponsor information form

Only required if more than one sponsor is identified in the AHP application.

- Document is located in OASYS under Application Guidance.
- Complete and submit all spreadsheets in the excel workbook.
- Document provides information on second sponsor's and board's experience in housing.
- Sponsor should complete information on all previous projects, AHP and non-AHP.

# Exhibit A9

## Sponsor organization name

- Only required if the sponsor's application name differs from the known legal name of the organization.
- Submit evidence from the Secretary of State verifying that the organization is doing business as (dba) the organization name entered into the AHP online application.

# Exhibits B6/B10

## Member buying credits or bonds

- Commitment to purchase tax credits/bonds to provide equity to the project (B6) or issue bonds for the project (B10)
- A letter from member with the following information is required:
  - The letter must appear on member letterhead.
  - Be fully executed and dated within current year.
  - Reference the project by name and/or project number.
  - Specifically state the commitment to issue bonds or directly purchase at least 20% of the bonds or tax credits.
- Equity from tax credit or bonds must be shown as funding source on budget.



# Exhibit E1 / E2

## Empowerment

- Provide a brochure or other published material demonstrating sponsor's provision of a service or activity, **or**
- Provide a 2024 MOU between the sponsor and a third party identifying the service or activity that will be provided and a brochure from the service provider.
- The MOU submitted must be:
  - Signed by both the sponsor and the third party.
  - State the service provided, how long it is available to the project, where the service will be provided and the cost.

# MOU - sample


Must be signed by sponsor and service provider

Program stated here must coincide with brochure.

Housing & Community Investment

## Affordable Housing Program

### MEMORANDUM OF UNDERSTANDING



BETWEEN

\_\_\_\_\_

(Third-party Service Provider – Please type or print organization’s name)

AND

\_\_\_\_\_ THAT IS THE

(Sponsor/Owner – Please type or print organization’s name)

SPONSOR/OWNER ENTITY FOR \_\_\_\_\_

(Project Name – Please type or print name)

The Sponsor/Owner identified above has applied for Affordable Housing Program (AHP) subsidy from the Federal Home Loan Bank of Cincinnati (FHLB) and has made certain representations to the FHLB regarding the provision of affordable housing to very low-, low-, and moderate-income households/tenants and the provision of services to those households/tenants. To further empower the beneficiaries of this program, the Third-party Service Provider identified above desires to make available the following programs and/or services to eligible residents of the AHP project named above:

Empowerment Services or Activities	Mandatory Homebuyer/ Homeowner Counseling for all project households (Ownership projects only)	Credit Counseling/Budgeting or Financial Literacy (Rental or Ownership projects)
What is the name of the services or program?		
Will the services or program be available to all residents being served by the project?		
Where will the services or program be provided?		
How much will be charged (or on what basis will a charge be imposed) for the services or program?		

The intent to provide the above outlined programs and/or services is hereby affirmed and agreed to by the Project Sponsor/Managing Partner or Owner and the Third-party Service Provider. Together, we agree that the programs and/or services will be provided for the benefit of the qualified households/tenants who will reside in the AHP-assisted units, subject to determination of eligibility and desire of the household to receive the service and incur the related cost, if any.

AGREED TO AND SIGNED this \_\_\_\_\_ day of \_\_\_\_\_, 2023.

\_\_\_\_\_  
Sponsor/Owner Name (Typed)

\_\_\_\_\_  
Sponsor/Owner Signature

\_\_\_\_\_  
Third-party Service Provider Name (Typed)

\_\_\_\_\_  
Third-party Service Provider Signature

*Attach a brochure or other published material that specifically demonstrates that the Third-party Service Provider offers such programs or services as described above. This MOU must be dated within the current calendar year (2023) and have a brochure or other published material attached in order to be considered for points.*

Memorandum of Understanding  
©2023 Federal Home Loan Bank of Cincinnati, all rights reserved.

# Exhibits E1 / E2

## Empowerment

Common errors resulting in point loss:

- The MOU is not filled out completely or inaccurately
- It is not signed by all parties.
- A brochure is not provided for the empowerment service or the brochure does not adequately address service to be provided.
- Cost are not stated or the cost exceeds \$25.
- Service will not be provided in proximity to the project location or the service location is not clearly stated.

# Exhibit E8

## Credit Bureau

- Provide a signed letter from proposed property manager that is dated in current year and on company letterhead.
- Letter must specify mechanism used to report rents to the credit bureaus. For example:
  - Screenshot of subscription with third party rent reporter (minimum of one year).
  - Credentials for reporting to the credit bureaus.
  - Verification of rent software that directly reports to credit bureaus.

# Exhibit F9

## Relocation plan

- Relocation plan required for all rental rehabilitation projects currently occupied.
- Plan must state if residents will remain in place during rehab or move out of units. If moved, state if residents will return to new project.
- Plan must include all costs associated with relocating displaced residents and match amount stated in the application, or an explanation if there are no costs.

# Exhibit G1

## Rental project occupancy report

- FHLB occupancy report must be submitted for all currently occupied rental projects. Form can be found in OASYS under Application Guidance.
- The number of units, special needs information, income targeting, unit size, and rent amount must match the information stated in the application. If not, an explanation must be provided.
- Gross income must reflect the households' **current gross income**. Tenants will need to be recertified prior to AHP application submission.

# Exhibit G1

## Rental project occupancy report

Common errors resulting in point loss:

- Report shows fewer units than project will contain with no explanation.
- Application requests homeless points but report shows that all units are occupied.
- Application requests points for special needs or elderly units but report does not indicate that any of the occupied units are special needs or elderly.
- Current household incomes exceed the proposed project income targeting.

# Exhibit G2

## Homeless households housing policy

- Policy adopted by sponsor's board affirming that homeless households may stay for at least six months in transitional housing. The policy must be:
  - Signed by the board chair or secretary.
  - Dated in current year unless a board resolution was previously approved.



# Exhibit G4

## Homeless households housing policy

- Applicable only to rental projects.
- Sponsors utilizing fundraising or other cash contributions to subsidize operating costs must provide:
  - The most recent two years of audited financials, and,
  - Board resolution stating the amount of fundraising committed to support operations over 15-year life of project.

# Exhibit G5

## Ownership waitlist

- Provide list of households identified for current AHP project.
- List must include for each household:
  - Household income and size.
  - First-time homebuyer status.
  - Special needs and homeless household status.
- Household information should coincide with proposed commitments in application.

# Exhibits H1 / H3

## Donated property - rental only

- Donated means a property is conveyed without monetary consideration or for a nominal amount within the last five years.
- Property may be donated by the federal government or agency thereof, local government entity or unrelated party.
- Submit the final, executed copy of the deed, donor letter, or purchase contract that identifies:
  - When and from whom the property was donated.
  - The monetary consideration.

# Exhibits H1 / H3

## Donated property - rental only

Common errors resulting in point loss:

- Documentation provided shows a significant amount paid for the property or that a portion of the property was paid for by sponsor;
- Development budget shows a paid land cost.
- Deed provides no statement of financial consideration (does not indicate donated).
- Documentation is not fully executed.
- Documentation does not show the seller of the property or the seller does not qualify (i.e. seller is a related party).

# Exhibits H2/H4

## Location verification

Provide document verifying the correct congressional district and census tract for project.

- Submit screenshot from FFIEC website showing the property address and census tract.
- Submit screenshot from the house.gov website showing project zip code with congressional district, or screenshot from census.gov website showing project county with congressional district.

# Exhibit H5

## Site control - rental only

- Sponsor or ownership entity must have site control at time of application to be eligible for AHP funds.
- Sponsor must provide one of the following that includes the legal description:

# Exhibit H5

## Site control - rental only

- A copy of the executed deed or long-term lease with a term of at least 20 years.
- An executed purchase option or long-term lease option; option must be effective for at least 120 days after the AHP application date along with a deed showing the current owner.
- An executed settlement statement or purchase contract that shows the purchase price.
- A resolution from the local government or other organization that is committing to transfer the property that describes the terms of the commitment, transfer price, and location of the property

# Exhibit H5

## Site control - rental only

### Common errors:

- Property identified does not match the site identified in the application.
- The purchase price shown on the documentation differs from costs shown on the development budget.
- Purchase option is not valid through the AHP award date.
- Option or deed is between sponsor and newly formed ownership entity and not the original property owner.



# Exhibit H7

## Market value

- Acquisition costs for land and/or building should not exceed market value. Market value is demonstrated with:
  - A Property Value Assessment (PVA).
  - An independent appraisal; required for related party transactions.
- Documents must be dated within six months of purchase /conveyance or dated within six months of the date the price was agreed, if property has not been acquired.

# Exhibit H8

## Member interest

- Required if Member had ownership interest in property prior to conveying to sponsor, owner, developer or other entity involved in project.
- Provide deed or mortgage/note to show interest.
- Transaction constitutes a related-party transaction

# Exhibit H9

## Acquisition cost

- Acquisition costs shown on development budget must be verified by one of the following:
  - Executed settlement statement or closing disclosure
  - Purchase contract
  - Documentation of current outstanding loan balance and note/mortgage if costs represent pay-off of existing loan.

# Exhibits J3/ J4

## Tax credit/bond commitment

- Provide a fully executed commitment letter or a carryover allocation from the allocating agency.
- Historic tax credits submit an approved Part 1 or 2; State historic credits submit a signed commitment letter.
- Submit a current and complete pro forma that includes:
  - Development sources and uses.
  - 15-year operating budget.
  - Qualified and eligible basis.
  - Amount of tax credit award and equity calculations.
  - Rent and unit schedules.

# Exhibit J4a

## Tax credit/bond commitment

Provide summary of changes to explain differences between AHP application and pro forma submitted to tax credit agency.

- Provide the tax credit agency's underwriting response.
- If income targeting for tax credit agency is less restrictive than AHP application, sponsor must submit a statement indicating that targeting will be changed within the tax credit application to match AHP application, if approved.
- AHP application may be rejected or excluded from review if the pro forma does not match information stated in the application without explanation.

# Exhibit J4b

## Tax credit/bond commitment

- Applies to projects that are planning to apply for tax credits.
- Provide complete pro forma that will be submitted to the tax credit allocating agency that includes:
  - Development sources and uses.
  - 15-year operating budget.
  - Qualified and eligible basis.
  - Amount of tax credit award and equity calculations.
  - Rent and unit schedules.

# Exhibit J5

## Debt assumption

- Projects involving the restructuring or assumption of HUD, USDA or RD hard debt may only show outstanding debt that is being paid off, transaction costs or exit taxes (reserves).
- Debt service must match amount shown on operating budget.
- Reasonableness of cost must be verified with:
  - A copy of the note and mortgage.
  - Interest credit contract.
  - Deeds of trust.
  - Documentation supporting the estimated transaction costs and exit taxes.

# Exhibit J6

## Income targeting commitments

- Submit a list of required income targets from all funding sources in project (i.e. HOME, tax credits, etc.).
- State which income targets the project will be bound for all units.



# Exhibit J8/J8B

## HUD 811/202 projects

- Submit a current and complete pro forma that includes:
  - Development sources and uses.
  - 15-year operating budget.
  - Amount HUD funding requested.
  - Rent and unit schedules.

# Exhibit K1 - K7

## Rental/operating subsidy

- Projects receiving rental or operating subsidies must provide the award notice or current subsidy agreement (i.e. current HAP, PRAC contract, McKinney Award, etc.)
- Agreements must be dated, signed, reference project name and number of units, and any special conditions.
- Amount of subsidy on agreement must match amount shown on operation budget, or an explanation provided.
- If subsidy is expected but not committed, an explanation must be provided.

# Exhibit L1

## Social service budget

- Social services budget must be submitted if the sponsor will be providing services to the project.
- Budgeted amount must contain the following:
  - Itemized costs for services.
  - Funding source for services.

# Exhibit L3

## Detailed cost breakdown

- Rental rehab projects must provide a detailed cost breakdown of anticipated rehab costs, activities and existing reserves.
- Breakdown of costs and activities must be provided by a **licensed or certified third-party** architect, building inspector, general contractor, or other qualified individual.
- Total costs must match costs shown in the feasibility section of the application.

# Exhibit L3a

## Project reserves

- Rental rehab projects must document the amount of existing project reserves.
- Submit a copy of the bank statement for the reserve amount as verification.
- Funds must appear as a funding source in application unless justification for exclusion is provided.

# Exhibit L4

## Floor plan

- Rental projects must submit a floor plan that clearly shows each floor of the project, units/beds footprint, and any non-residential/commercial space.
- The total number of units/beds proposed in application should be shown on the floor plan.
- Projects providing just beds must show the number of beds in each room.
- Submit plan unbound as 8.5”x11” or 8.5”x14” page.
- Bank must be able to determine layout / scale of project. Please do not submit free-hand drawing.

# Exhibit L5

## Commercial space

- Applies to projects with commercial space in the proposed AHP project.
- Provide documentation from another funding source stating their willingness to fund the development cost associated with commercial space.

# Exhibit N

- Upload any explanations or documents that FHLB should be aware of while reviewing the application.
  - May explain unusual project features or apparent discrepancies between required documents and information entered in the online application.
  - Use N to communicate information you expected to be able to answer via questions in the application but could not.
- Please do not repeat any documentation/information provided elsewhere in application.



# Required documents: notes to remember

- The Bank assumes no obligation to reconcile conflicting information, accept incomplete information, or seek additional information or clarification that is not provided at time of application.
- The sponsor or project owner is ultimately responsible for ensuring that financial information is correct and consistent and that the project's financial structure meets the Bank's guidelines, or that any deviations are adequately explained, justified, and documented.

# Required documents: notes to remember

- If you think an exhibit does not apply to your project, submit an explanation indicating why it doesn't apply in lieu of submitting the exhibit.
- ALL required documents must be submitted via the online application by the **application deadline, 5:00 P.M. EDT, July 7, 2025.**
- There are no exceptions to the 5:00 PM EDT deadline.

# AHP Resources and Contact Information

# AHP Resources

- Contact the FHLB staff if you have specific questions that are not answered in the materials available on the website.
- Additional webinars relating to AHP application process:
  - AHP for Members
  - AHP Overview and Threshold Requirements
  - AHP Financial Feasibility
  - AHP for Recently Awarded Projects
  - OASYS System Registration & Navigation

# Contact us

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