

Collaboration between the project member and sponsor is necessary to complete the request form and provide the required documentation. Copies of the funding request form, worksheets, and statements are available in electronic form and can be sent to you by e-mail. Please follow the steps below to request funds. If you need additional assistance or to request forms, contact the Community Investment Group at (312) 565-5824.

**I. COMPLETE THE AHP FUNDING REQUEST FORM**

- All sections on the funding request form must be completed. Attach additional sheets if necessary to provide explanation.\*
- If there is no change or the question is not applicable, please enter “no change” or “not applicable” on the response line.

**II. PROVIDE REQUIRED DOCUMENTS**

**Prior to the first disbursement:**

The AHP Subsidy Agreement

- The subsidy agreement must be signed by the project Member and Sponsor and returned to the FHLBC before the first disbursement can be processed.

**Additional documents:**

- Are necessary depending on the type of project, i.e. Owner Occupied or Rental. Please see the **checklist** for required documentation by project type.

**III. OBTAIN REQUIRED SIGNATURES**

- The funding request form must have an **authorized signature** from the project **Member** and **Sponsor**.

**IV. SUBMIT THE AHP FUNDING REQUEST**

- Mail or fax the completed AHP Funding Request Form with the required documentation to:

Federal Home Loan Bank of Chicago  
111 East Wacker Drive Suite 800  
Chicago, IL 60601  
Attn: Community Investment Group  
Fax: (312) 565-6947

***\*An incomplete request form or missing documentation may delay the funding process.***

<b>REQUEST FORM QUESTIONS</b>	
<b>1.</b>	Enter the number of units in the project committed to each targeted income and population category as approved in the application. If there is a change to or the project will be unable to meet these commitments, please attach an explanation.
<b>2. or 2.a</b>	Provide the project's estimated completion date.
<b>2.b</b>	Calculate the percentage of project completion based on the number of units completed compared to the total units approved.
<b>3. or 3.a</b>	Highlight significant changes to the project since application. (i.e. changes in funding sources, project costs, etc.)
<b>3.b</b>	For rental projects, indicate if funding sources have been committed. Provide commitment dates of funding sources.
<b>4.</b>	Compare current loan financing terms to available market terms for like financing. Indicate if rates, terms, and fees are equal to or better.
<b>5.</b>	Describe the financial role of the FHLB member institution in the project; interim or permanent financing, donations, fees waived or other.
<b>6.</b>	Indicate if fees are being charged for providing the AHP subsidy. If so, AHP funds can not be used to pay for such fees. Provide fee amounts and funding source.
<b>7.</b>	Highlight changes, if any, to a sponsor's organization that may affect its capacity to perform commitments made at application.
<b>8.</b>	Provide explanation of non-compliance with fair housing requirements.

<b>DOCUMENTATION DESCRIPTION</b>	
AHP Funding Request Form	All sections of the request form must be completed. Enter "no change" or "not applicable", if there is no change or the question is not applicable.
AHP Subsidy Agreement	Before funding can occur an executed subsidy agreement must be received by FHLBC. <b>If an agreement was previously submitted it is not necessary to send another copy at funding.</b>
Repayment Agreement & Retention Vehicle for <b>Rental Projects</b>	The agreement must provide for notification of the Bank, in the event of sale, refinancing, or foreclosure, and include provisions for AHP subsidy repayment in the event of non-compliance with the regulations, tri-party agreement, and commitments made in the application, for the duration of the retention period.  <b>Retention period</b> = fifteen (15) years from the date of project completion. The typical vehicle is a recorded repayment agreement with or without a mortgage.

<p>Repayment Agreement &amp; Retention Vehicle for <b>Owner Occupied Projects</b></p>	<p>The agreement must provide for notification of the Bank, in the event of sale, refinancing, or foreclosure, and include provisions for AHP subsidy monthly forgiveness at a rate of 1/60 per month for the duration of the retention period.</p> <p><b>Retention period</b> = five (5) years from the closing of an AHP assisted unit. The required vehicle is a recorded mortgage w/ repayment agreements. For Illinois projects, use a mortgage with promissory note and note rider. For Wisconsin projects, use a mortgage with grant agreement.</p> <p>Submit mortgage and agreements for the 1<sup>st</sup> homebuyer. FHLBC will request additional samples as needed.</p>
<p>Current Sources and Uses Statement</p>	<p>Total project sources and uses must equal.</p> <p>If the project includes commercial space, submit a separate sources and uses statement for the housing and the commercial space portions.</p>
<p>Current 15 - Year Operating Statement</p>	<p>The 15 year operating statement should include gross rent, other income, vacancy/loss assumptions, detailed operating expenses, replacement reserves, and debt coverage ratio.</p> <p>If project includes social services, please submit a separate operating statement for housing and social services portions.</p>
<p>Current Development Budget</p>	<p>The budget should detail total project costs by hard costs, soft costs (all fees such as legal, developer, lender, etc.) and sources of financing (including terms, rates, amortization).</p>
<p>Tenant Income Worksheet</p>	<p>Include this worksheet if the rental units are occupied at the time of funding. Instructions are included with the Tenant Income Worksheet.</p>
<p>Owner Income Worksheet</p>	<p>Provide income eligibility for households that have been qualified by the sponsor to participate in the project. Instructions are included with the Owner Income Worksheet.</p>
<p>Settlement Statement</p>	<p>Include a HUD1 or equivalent document that presents the selling price, funding provided on behalf of buyer, closing costs, etc. The AHP subsidy must appear on the settlement statement.</p>
<p>Evidence of Subsidy Delivery</p>	<p>This can be a copy of check, wire transfer, or settlement statement, if the AHP subsidy is listed. Evidence should reference the AHP subsidy, project number or name. (Habitat for Humanity projects must include evidence separate from settlement statement, unless the statement is completed by a closing agent.)</p>
<p>Income Verification for 1<sup>ST</sup> Homebuyer</p>	<p>Documents that were used to verify household income to meet target income requirements. (i.e. pay stub, tax forms, etc.)</p>

## Funding Documentation Checklists

Documentation submitted regarding project sources and uses, budgets, and pro-formas must be revised to reflect any changes from estimates made at application. If there have been no changes, please acknowledge so by initializing and dating documents.

### Owner Occupied Projects

<u><i>III. If subsidy used for downpayment and closing cost</i></u>	<u><i>If subsidy used for construction or rehab**</i></u>
<input type="checkbox"/> AHP Subsidy Agreement	<input type="checkbox"/> AHP Subsidy Agreement
<input type="checkbox"/> Current Sources and Uses Statement	<input type="checkbox"/> Current Sources and Uses Statement
<input type="checkbox"/> Owner Income Worksheet	<input type="checkbox"/> Current Development Budget
<input type="checkbox"/> Settlement Statement	<input type="checkbox"/> Evidence of Subsidy Delivery
<input type="checkbox"/> Income Verification For 1 <sup>st</sup> Homebuyer	<input type="checkbox"/> Retention Vehicle
<input type="checkbox"/> Retention Vehicle For 1 <sup>st</sup> Homebuyer	<input type="checkbox"/> Repayment Agreement
<input type="checkbox"/> Repayment Agreement For 1 <sup>st</sup> Homebuyer	**Contact FHLBC before requesting funds.

### Rental Projects

<input type="checkbox"/> AHP Subsidy Agreement	<u><i>If Rental Project is occupied include</i></u>
<input type="checkbox"/> Current Development Budget	<input type="checkbox"/> Tenant Income Worksheet
<input type="checkbox"/> Current Sources And Uses Statement	<u><i>If HUD 202 or 811 project include</i></u>
<input type="checkbox"/> Current 15 Year Operating Budget	<input type="checkbox"/> HUD Rider to Lender's Deed of Trust or
<input type="checkbox"/> Retention Vehicle & Repayment Agreement	Mortgage
<input type="checkbox"/> Evidence of Subsidy Delivery	

### SPECIAL NEEDS CODES

E =	Elderly	D =	Mentally or physically disabled persons
AB =	Persons recovering from physical, alcohol, or drug abuse	L =	Large Families (4+ bedrooms)
N =	Native Americans on tribal land	A =	Persons with AIDS
O =	Other		