



Checklist for a Successful Native American Homeownership Initiative Program

1. Return the Signed Agreements. Your Bank can only have access to the NAHI Fund Program funds after the Home Loan Bank (the Bank) has received both copies of the agreements signed by an authorized member representative of your institution. The Bank will send your institution one fully executed agreement for your records.

2. Review the following documents found at the Community Investment Page of the Bank web site (www.fhlbdm.com).

- [NAHI Program Guidelines](#)
- [Commitment of Funds](#)
- [Definitions and Acronyms](#)
- [Income Determination Guidelines](#)
- [Certification & Draw Request Form](#)
- [Calculation of Income Worksheet](#)
- [Instructions for Submitting the Certification and Draw Request](#)

3. Eligible Household. Household eligibility is described in the [2008 NAHI Fund Program Guidelines](#).

- Eligible households will be determined using the greater of the area median income: 1) as periodically published for use under the MRB median income for the state in which the retention document will be recorded; 2) the median income for the area as published annually by HUD and adjusted for household size for each county, or MSA; or 3) the applicable median income for purposes of NAHASDA income limits.
- Total household income as of the enrollment date may not exceed the greater of 80 percent of the area median income as determined above. The MRB income guidelines for Iowa, Minnesota, Missouri, North Dakota, and South Dakota and the NAHASDA income limits can be found on our website at www.fhlbdm.com or requested by calling 1-800-544-3452, extension 1173. The member is responsible for obtaining income limits for any other state and for requesting approval of the limits from the Bank prior to disbursing any grant funds.
- Eligible households must be eligible for housing assisted with grants provided under NAHASDA pursuant to a policy adopted by a tribe or tribally designated housing entity.
- Loans utilizing the HUD Section 184 loan program for the purchase of a home are eligible for NAHI assistance in any location.

5. [Determine the Type and Amount of Assistance](#). NAHI funds must be used to pay for down payment, closing costs, counseling or rehabilitation in connection with an eligible household's purchase of an owner-occupied unit, including a condominium or cooperative housing unit or manufactured housing, to be used as the household's primary residence. Refer to [our Definitions and Acronyms](#) for a description of eligible closing costs.

6. Special Requirements. Please refer to Program Guidelines and appropriate forms.

- Concession. If you provide the mortgage financing to a participating household, you must provide a concession of at least \$50.00 as described in the 2008 NAHI Fund Program Guidelines. The concession must be described on the Certification & Draw Request Form.
- Financial Literacy Counseling. All First-Time Homebuyer's must complete a financial literacy education program as described in Attachment A, and certify this in the Certification & Draw Request Form.
- Limited Cash Back to Borrower. A member may not provide cash back to a household at closing of the mortgage loan in an amount exceeding \$250.00, excluding reimbursement for eligible items paid outside of closing. **Down payment and earnest money do not qualify as eligible items paid outside of closing.** Refer to the 2008 NAHI Fund Program Guidelines.
- Deed Restrictions. Owner occupied units are subject to a five year deed restriction (retention agreement). A sample copy is available at our website, at http://www.fhlbdm.com/Docs/Comm_Invest/AHP/AHP_GRForms/2007/PDFs/Deed%20restriction.pdf
If you wish to use a document other than this, the Bank must approve your documents before any disbursement. Contact the Bank at 1-800-544-3452, ext. 1173 for assistance.

7. Submitting the Certification & Draw Request Form. Please refer to the Instructions for Submitting a Certification and Draw Request Form

8. Reimbursement to you. Please note that this is a reimbursement program and the Member will not receive funds until after the Community Investment Department has received the completed Certification & Draw Request Form and supporting documents. Reimbursement to you will be in the form of a credit to your Demand Deposit Account (DDA) at the Bank.

9. Recapture of Funds. In most cases, if the home is sold during the five-year retention period the funds must be returned to the Bank. If a borrower is refinancing or selling the home to another income-qualified borrower, the NAHI forgivable loan may not have to be repaid; however, the new borrower must sign a retention agreement. In the event of a refinance, the member may choose to subordinate its lien position; therefore, no repayment would be required. Contact the bank at 1-800-544-3452, ext. 1173 if you require assistance.

10. Keep in touch with the Community Investment Department. The Bank's Community Investment Department is here to help you! We encourage you to call if you feel you need assistance. If you have questions, please call 1-800-544-3452, ext. 1173 or visit the Community Investment Page at our web site – www.fhlbdm.com.