



Native American Homeownership Initiative (NAHI) 2010 Certification & Draw Request

This form is not complete unless it is signed by the borrower and the member's authorized representative and required documentation is attached. **Please fax the completed form to the Bank at 515-699-1270.** Members will be reimbursed for Native American Homeownership Initiative subsidy disbursed at closing after required documentation is received and reviewed by the Bank. Please allow 3 business days for processing following receipt of documentation. Call 1-800-544-3452, ext. 1173 with any questions.

If this is the **first disbursement** for this project number, please attach the following documentation:

- (1) Signed HUD-1 settlement statement or equivalent document for the sale of a single family home that documents the address of the property, date of disbursement of funds (closing date), purchase price, closing costs including costs paid outside of closing, rehabilitation costs paid or escrowed (if applicable), dollar amount of first and second mortgage loans, AHP subsidy, borrower deposits and earnest money, and seller or other credits to the borrower;
- (2) Calculation of Income Worksheet;
- (3) For each income earning household member, third-party documentation verifying income;
- (4) Copy of the retention document filed for the transaction;
- (5) Signed Final Truth-In-Lending Disclosure statement (TIL);
- (6) Tribal enrollment card.

If applicable, always attach:

- (1) Documentation of rehabilitation if complete (see **Grant Information** below);
- (2) Property appraisal if home purchased was from member real estate owned (see **Member Financing and Real Estate Owned** below).

For all other disbursements, provide only the Certification & Draw Request, Tribal enrollment card, HUD-1 settlement statement or equivalent document, and TIL unless additional documentation is requested by the Bank.

To complete this form on-line use the **TAB** key to move to data entry points, then type data or click on a check box. Use the **DELETE** or again click on a checkbox to delete data. Use **SHIFT** and **TAB** keys together to move backwards. Do not use the **ENTER** key after data entry.

Project Information

Enrollment Number: Enter the enrollment number shown in your Affordable Housing Program Agreement.
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Member Information

Member Name:	Member #:
Contact Person:	Contact Person Phone Number:
Contact Person Email Address:	Contact Person Fax Number:
<input type="checkbox"/> Check if there have been changes to the member contact information since the original reservation (contact person, address, phone, and fax). Please indicate change:	



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Grant Information

Type of Assistance: **(check all that apply)**

Downpayment Closing Costs Financial Literacy Counseling

Rehabilitation as part of a purchase (please indicate if):

rehabilitation is complete (**attach lien waivers, paid receipts, or cancelled checks**)

rehabilitation is not complete at this time

First-time Homebuyer

borrower has completed financial literacy class

Type of Retention Agreement:

Federal Home Loan Bank sample Retention Document

Federal Home Loan Bank sample Retention Document Tribal Trust Land

Mobile Home (**Call 1-800-544-3452, ext 1173 for sample Deed Restriction**)

Other Retention Documents (**must be pre-approved by the FHLBDM**)

Sample Retention Documents are available at: http://www.fhlbdm.com/ci_ahp_nahi.htm. Retention document for use with Tribal Land is available.

Member Financing and Real Estate Owned

Was the loan to the borrower originated in the member's name or by a subsidiary institution of the member?

Yes No

Note: The member will have originated the loan if the member or a subsidiary institution of the member is the lender on the HUD-1 settlement statement or other closing document.

If the loan was originated by the member, was the real estate sold to the borrower real estate owned by the member, or did the member hold a mortgage or lien on the real estate purchased by the borrower?

Yes No

Note: If you answered yes to this question, please attach a copy of an appraisal of the property performed by an independent state certified or licensed appraiser within six months prior to the date the member disbursed the AHP subsidy to the borrower.

Borrower Information

Borrower Name:		Co-Borrower Name (if applicable):	
Property Address (Street, City, State, Zip Code):		Census Tract*:	County
A census tract can be found on the website www.ffiec.gov by going to Geocoding/Mapping System section. Input the specific address and a search for the census tract is completed.			



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Borrower Income Information

Borrower Annual Household Income as verified for the NAHI Program: \$	Household Size:	Income Limit Used for Qualification: MRB <input type="checkbox"/> 80% limit, \$ or HUD <input type="checkbox"/> 80% limit, \$ or NAHASDA <input type="checkbox"/> 80% limit, \$
Income Target: (check the targeting of the borrower's annual household income; must be at or below 80%) <input type="checkbox"/> 50% or less <input type="checkbox"/> 51-60% <input type="checkbox"/> 61-80%		
Please be sure to use the current Income Limits. These are available on the Community Investment Website page at http://www.fhlbdm.com/ci_ahp_nahi.htm .		
A Calculation of Income Worksheet must be completed for each household member for your files and included with the first disbursement. The worksheet can be found on the Community Investment Website at: http://www.fhlbdm.com/ci_ahp_home.htm		
Please list below each household member included in the household size by name and his/her annual income; if a household member has no income, please indicate as "No Income."		
Name	Annual Income	
	\$	
	\$	
	\$	
	\$	
	\$	
	\$	
	\$	
	\$	
	\$	
	\$	
	\$	
Total Borrower Annual Household Income Total should equal the Borrower Annual Household Income as stated above.	\$	

Loan Information

For the 1 st Mortgage Loan, Choose one: <input type="checkbox"/> Loan originated for portfolio Loan to be sold? <input type="checkbox"/> Yes <input type="checkbox"/> No Choose one <input type="checkbox"/> Fannie Mae <input type="checkbox"/> Freddie Mac <input type="checkbox"/> MPF <input type="checkbox"/> State Housing Finance Agency <input type="checkbox"/> Other	Check all that are applicable: <input type="checkbox"/> Single Family* (structure with 1 to 4 dwelling units) <input type="checkbox"/> Property on Native American Reservation <input type="checkbox"/> Manufactured Home <input type="checkbox"/> Refinance of Contract *A condominium or townhouse unit in a building with more than 4 units is not considered Single Family.
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Loan Information

Loan Application Date: (m/d/yyyy)	Sales Price: \$ Sales price can not exceed the purchase price limit for the locality established by the applicable State Housing Finance Agency*.	NAHI Grant Amount: \$ NAHI grant amount can not exceed \$10,000.	Type of Loan: <input type="checkbox"/> Conventional <input type="checkbox"/> FHA <input type="checkbox"/> VHA <input type="checkbox"/> USDA <input type="checkbox"/> HUD 184
Loan Closed Date: (m/d/yyyy)			
Closing Costs: \$	Dollar Amount of 1 st Mortgage Loan: \$	Loan APR: %	Term of Loan (months):
Loan Origination fees from HUD Line 803: \$		Annual Percentage Rate from Truth in Lending Statement	
Dollar Amount of 2 nd Mortgage (if applicable): \$		Loan APR from Final TIL: %	
Please enter the dollar amount of any second mortgage financing that assisted with down payment, costs, or rehabilitation. The retention document filed for the NAHI grant amount is not a second mortgage for this purpose.		Terms of 2 nd Mortgage (months):	
<p>*Maximum purchase price limits established by State Housing Finance Agencies in Iowa, Minnesota, Missouri, North Dakota, and South Dakota are available on the Community Investment website at: http://www.fhlbdm.com/ci_ahp_nahi.htm.</p>			

Borrower Certification

<ol style="list-style-type: none"> 1) I/We certify that the annual household income as stated on this Certification & Draw Request and on the Income Calculation Worksheets is true and accurate for all household members. 2) If applicable, I/We certify that I/we have completed a financial literacy program. 3) I/We certify that household is an enrolled member of a federally recognized Tribe. Please identify Tribe 	
Borrower's Signature	Co-Borrower's Signature



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High-Rate, High-Fee Loans and Anti-Predatory Lending Prohibitions

Any residential mortgage that does not comply with all applicable anti-predatory lending laws will be ineligible to be used with a NAHI grant.

1. If a mortgage loan provided to a borrower for a home purchase exceeds the interest rate and/or points and fees threshold of the Home Ownership and Equity Protection Act of 1994 (HOEPA) and its implementing regulations (Federal Reserve Board Regulation Z), it will be ineligible to be used with a NAHI grant. The threshold for interest rate and/or points and fees established by HOEPA are:

- (1) for a first mortgage loan, one where the annual percentage rate (APR) of the first mortgage loan exceeds by more than eight percentage points the rates on Treasury securities of comparable maturity;
- (2) for a second mortgage loan, one where the annual percentage rate (APR) of the second mortgage loan exceeds by more than 10 percentage points the rates in Treasury securities of comparable maturity; or
- (3) the total fees and points payable by the consumer at or before closing exceed the larger of \$579 or eight percent of the total loan amount. The \$579 figure is effective January 1, 2010. This amount is adjusted annually by the Federal Reserve Board, based on changes in the Consumer Price Index. Credit insurance premiums for insurance written in connection with the credit transaction are counted as fees.

Use the Treasury rates applicable to the term of your loan and the date of your loan closing to determine if your loan exceeds the HOEPA rate thresholds. These can be found at:

<http://www.ustreas.gov/offices/domestic-finance/debt-management/interest-rate/yield.shtml>

2. Effective October 1, 2009 amendments to Regulation Z established a new class of “higher priced mortgage loans” to consumers. A mortgage loan may be defined as higher-priced if it is a first-lien mortgage and has an annual percentage rate (APR) that is 1.5 percentage points above an “average prime offer rate” established by the Federal Reserve Board, or 3.5 percentage points above that rate if it is a subordinate-lien mortgage. For these higher priced mortgage loans the new rules:

- 1) Prohibit a lender from making a loan without regard to borrowers' ability to repay the loan from income and assets other than the home's value. A lender complies, in part, by assessing repayment ability based on the highest scheduled payment in the first seven years of the loan.
- 2) Require creditors verify the income and assets they rely upon to determine repayment ability.
- 3) Ban any prepayment penalty if the payment can change in the initial four years. For other higher-priced loans, a prepayment penalty period cannot last for more than two years.
- 4) Require creditors to establish escrow accounts for property taxes and homeowner's insurance for all first-lien mortgage loans.

If a residential mortgage loan provided to a borrower for home purchase exceeds the rate threshold for a higher-priced mortgage loan as established by Regulation Z, a member must demonstrate that the loan conforms to the Regulation to be eligible for funding. Use this Rate Spread Calculator to determine if the APR of your loan, at the day of closing, exceeded the higher-priced mortgage loan threshold: <http://www.ffiec.gov/ratespread/newcalc.aspx>.

IMPORTANT: By signing the certification below, members certify that residential mortgage financing provided the borrower conforms to applicable anti-predatory lending laws.



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Member Certification

Member certifies/warrants that:

- 1) a purchaser is an enrolled member of a federally recognized tribe and property is located within the FHLB Des Moines five state district;
- 2) the household is a low-or moderate-income household; meaning a household which, at the time it is qualified for participation in the Program, had an income of 80 percent or less of the area median income;
- 3) the member has determined, pursuant to the member's mortgage loan underwriting guidelines, that the household qualifies for the mortgage loan based on the household's current income and if the member has used future anticipated income in the underwriting of this mortgage loan, that the member also used future anticipated income in determining the household's eligibility for NAHI;
- 4) the assisted household does not own or is not an investor in another residence;
- 5) homebuyer received no more than \$10,000.00 NAHI award;
- 6) the household will use NAHI funds to pay for down payment, closing cost, counseling, or rehabilitation in connection with the 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;
- 7) excluding reimbursement for eligible items paid outside of closing, member did not provide cash back to a household at closing of the mortgage loan in an amount exceeding \$250, as defined by the AHP Implementation Plan and the NAHI Program Guidelines. The member used any subsidy exceeding \$250 that was beyond what was needed at closing for closing costs and the approved mortgage amount as a credit to reduce the principal of the mortgage loan or as a credit towards the household's monthly payment on the mortgage loan.
- 8) **borrower is a first-time homebuyer non first-time homebuyer.**
- 9) if applicable, the first-time homebuyer has completed a financial literacy program provided by, or based on one provided by, an organization recognized as experienced in financial literacy education, respectively;
- 10) funds received from the Bank for financial literacy program costs will only be used if:
 - a. such costs are incurred in connection with the counseling of homebuyers who actually purchase an AHP-assisted unit;
 - b. the cost of counseling has not been covered by another funding source, including the member;
- 11) residential mortgage financing provided to the household complies with applicable Anti-Predatory Lending Laws as defined in the AHP Implementation Plan; and higher cost mortgage financing meets the eligibility requirements of the AHP Implementation Plan or requirements of applicable Anti-Predatory regulation (see page 5 of this Certification & Draw Request Form);
- 12) the rate of interest, points, fees, and any other charges on financing provided to the household do not exceed a reasonable market rate of interest, points, fees, and other charges for a loan of similar maturity, terms, and risk;
- 13) if real estate property owned by a member was sold to a household by the member, or the member held a mortgage or lien on real estate property sold to the household, the member certifies that the market value of such property was deemed to be the "as-is" or "as-rehabilitated" value of the property, as appropriate, and as reflected in an independent appraisal of the property performed by a state certified or licensed appraiser, within 6 months prior to the date the member disbursed AHP subsidy to the household;
- 14) the housing unit purchased or rehabilitated using Native American Homeownership Funds is subject to a legally enforceable retention document recorded in the member's name;
- 15) Native American Homeownership Funds are not being used in conjunction with competitive AHP funds;

Authorized signature is a member representative authorized to borrow funds from the Bank or your institution's designated AHP representative as noted on the Authorized Personnel Form on file with the Bank:

Authorized Signature:	Title:
Printed or Typed Name of Authorized Representative:	Date: (m/d/yyyy)