



Native American Homeownership Initiative Checklist for a Successful Program

1. Review the following documents found at the NAHI Fund page of the Bank web site at http://www.fhlbdm.com/ci_ahp_nahi.htm.

- Program Guidelines
- Definitions and Acronyms
- Enrollment Form
- Commitment Form
- Certification & Draw Request Form
- Instructions for Submitting the Certification & Draw Request Form

2. Submit your Enrollment Form. Upon receipt the Bank will provide a Subsidy Agreement and a Commitment Form. You can have access to the NAHI Fund after you have returned to the Bank copies of those forms signed by an authorized member representative of your institution. The Bank will send your institution one fully executed Agreement for your records. You need to enroll only once per round. After your first commitment, you may apply for additional commitments that round without need of a new enrollment or Agreement. Commitment Forms are available on our website.

3. Determine Household Eligibility. Eligibility is described in the NAHI Fund Program Guidelines.

- At least one of the purchasers in the household must be an enrolled member of a federally recognized tribe.
- Eligible households will be determined using the greater of the area median income for an area: 1) as periodically published for use under the MRB program for the state in which the retention document will be recorded; 2) 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 and HUD income guidelines for Iowa, Minnesota, Missouri, North Dakota, and South Dakota and the NAHASDA income limits can be found on our website at http://www.fhlbdm.com/ci_ahp_nahi.htm or requested by calling 1-800-544-3452, extension 1173.

Review the following documents found at the Affordable Housing Program Grant recipient Form page of the Bank web site: http://www.fhlbdm.com/ci_ahp_home.htm

- Income Determination Guidelines
- Calculation of Income Worksheet
- Calculation of Income Worksheet Instructions
- An owner-occupied unit that is purchased under the NAHI must be located within the Bank's district.

4. 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.

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

- Financial Literacy Counseling. All First-Time Homebuyer's must complete a financial literacy education program as described in Definitions and Acronyms, 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 Program Guidelines.
- Deed Restrictions. Owner occupied units are subject to a five year deed restriction (retention agreement). A sample copy used on tribal trust land is located on the Bank website at http://www.fhlbdm.com/ci_ahp_nahi.htm, and others for fee simple land in home ownership projects are available at http://www.fhlbdm.com/ci_ahp_home.htm. If you wish to use a document other than these, the Bank must approve the document before any draw request. Contact the Bank at 1-800-544-3452, ext. 1173 for assistance.

6. Submitting the Certification & Draw Request Form. Please refer to the Instructions for Submitting a Certification and Draw Request Form at http://www.fhlbdm.com/ci_ahp_nahi.htm.

7. Reimbursement to you. Please note that this is a reimbursement program and the Member will not receive funds until after the Bank's 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.

8. Recapture of Funds. In most cases, if the home is sold during the five-year retention period a portion of the award funds must be returned to the Bank. Terms for recapture are described in the Deed Restriction. You should use the Calculation of Recapture of AHP/RHF Funds form located at http://www.fhlbdm.com/ci_ahp_home.htm to calculate recapture and return funds to the Bank. 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: <http://www.fhlbdm.com/communityinvestment.htm>.