



Community Investment Advance Paycheck Protection Program Lending Application

In light of the current extraordinary circumstances and the unprecedented need for targeted economic development lending due to the COVID-19 pandemic, Federal Home Loan Bank of Des Moines (Bank) is temporarily approving Paycheck Protection Program (PPP)-eligible entities under 15 U.S.C. 636(a)(36)(D), subject to any implementing standards or guidance issued by the Small Business Administration (SBA), that do not already qualify as small businesses under the Community Investment Cash Advance (CICA) regulation as other targeted beneficiaries for Community Investment Advance (CIA) program purposes.

Members providing financing to PPP-eligible entities, whether or not the entities are PPP participants, are eligible for a CIA discount advance rate. CIAs for PPP-eligible lending expires the later of December 31, 2020, or, if the authorization for the PPP is renewed, six months after the latest expiration of the PPP authority. The Bank reserves the right to prioritize approval of PPP-eligible CIAs to beneficiaries whose access to other sources of liquidity is impaired by the COVID-19 pandemic and whose CICA funding requests are therefore necessary to address the effects of the pandemic.

Submit CIA applications **at least 24 hours prior** to the requested advance date. Applications can be submitted by fax to 515.699.1270 or by email to CommunityInvestment@fhlbdm.com.

Member Institution Information

Housing Associates are not eligible for participation in CIA.

Member Name:	Member #:
Contact Person:	Title:
Address:	
City, State, Zip:	
Email:	Phone:

Advance Information

The CIA advance limit per member is \$10 million (aggregated on all outstanding CIAs). **Separate applications must be completed for each CIA advance. A loan or pool of loans may not be used for more than one advance.** Approval of a *CIA Paycheck Protection Program Lending Application* does not reserve funds or provide an interest rate lock. Interest rate is determined at the time of advance. All advances are subject to the availability of funds. Standard advance requirements including prepayment fees apply.

Advance Type: <input type="checkbox"/> Fixed <input type="checkbox"/> Amortizing <input type="checkbox"/> Other (Member option variable-rate is not eligible for a CIA advance)	
Advance Amount Requested: (\$100,000 minimum per advance; higher minimums may apply to adjustable rate advances)	
Advance Term: (1-30 year advance term)	
Expected Funding Date of Advance	

Project Financing

Location Type (majority of loans):
☐ Urban ☐ Rural

See **Rural Area** and **Urban Area** in Definitions. A project is in a rural area if it qualifies for housing or economic development assistance from USDA. To verify a project is in a rural area, refer to the Property Eligibility on the USDA website, and the geo-coding page for business programs at: <http://eligibility.sc.egov.usda.gov/eligibility/welcomeAction.do>.

Community Investment Advance Paycheck Protection Program Lending Application

Project Financing, cont'd		
PPP-eligible loans are for Operations/Working Capital: <input type="checkbox"/> Yes <input type="checkbox"/> No		
Check off <u>one</u> classification from the following regarding the loan or majority of loans used to qualify this advance.		
<input type="checkbox"/> Agriculture <input type="checkbox"/> Heavy Industrial <input type="checkbox"/> Commercial Wholesale <input type="checkbox"/> Light Industrial <input type="checkbox"/> Public Facilities	<input type="checkbox"/> Health Care <input type="checkbox"/> Commercial Retail <input type="checkbox"/> Infrastructure <input type="checkbox"/> Education <input type="checkbox"/> Social Services	<input type="checkbox"/> Commercial Office <input type="checkbox"/> Hotel <input type="checkbox"/> Day Care <input type="checkbox"/> Manufacturing <input type="checkbox"/> Recreation

Paycheck Protection Program-Eligible Loans
<p>All loans must be made to a PPP-eligible entity. PPP-eligible entities are all businesses including nonprofits, veterans organizations, Tribal business concerns, sole proprietorships, self-employed individuals, and independent contractors that meet one of the following criteria:</p> <ol style="list-style-type: none"> 1. Small Business Administration's (SBA) size standard (in effect at the time CIA Application is submitted to FHLB Des Moines): https://www.sba.gov/document/support-table-size-standards. The size standards are based on average annual receipts or average employment. See Small Business in Definitions for information. 2. Businesses with 500 employees or less. Businesses in certain industries can have more than 500 employees if they meet applicable SBA employee-based size standards for those industries (click HERE for additional detail). 3. Alternative Size Standard – <ol style="list-style-type: none"> a. Maximum tangible net worth of the business is \$15 million or less; and, b. Average net income after Federal income taxes (excluding any carry-over losses) for the two full fiscal years before the date of application is \$5 million or less. 4. Waived Affiliation Standard – <ol style="list-style-type: none"> a. Hotel and food services industries (click HERE for NAICS code 72 to confirm); or, b. Franchises in the SBA's Franchise Directory (click HERE to check); or c. Receive financial assistance from small business investment companies licensed by the SBA. 5. Other – Federal Home Loan Bank of Des Moines may request additional information.

Closed loans: Loan origination must have occurred within 3 months prior to the CIA advance date.

Earliest date loan(s) booked:		
Total Loan Activity	# of Loans	\$ Amount of Loans
Paycheck Protection Program-Eligible Loans		
Jobs Created:	Jobs Retained:	

Detail on Closed Loan(s) Activity:							
The loan amount must be the amount actually advanced and not the amount of a loan commitment.							
Borrower Name	Loan Amount (Funded Amount)	Date Loan Closed	Address City, State, Zip Code (no PO boxes or RR#)	NAICS Code (if applicable)	Business Gross Revenue	Business Average Employees	PPP Qualified By: (select one)

If other, describe how borrower qualified for PPP (Bank may request additional information):

Community Investment Advance Paycheck Protection Program Lending Application

"Funds Availability Notice: Approval of a Federal Home Loan Bank of Des Moines (the Bank) Community Investment Advance application is subject to funds being available under this program at the time the advance is taken. Approval of this application is not a reservation of funds. All Community Investment Advances are subject to the terms and conditions contained in the Bank's [Member Products and Services Policy](#).

If it is determined this Advance is out of compliance, the interest rate will be converted to the market rate in effect for a comparable regular advance at the time the Advance was originated and applied to the full term of the Advance.

*If, following the repayment of the Advance, the Bank determines that the member's use of the Community Investment Advance funds was not in compliance with regulatory requirements or member fails to provide required documentation demonstrating that its use of the Advance was in compliance, then the Bank shall have the authority to charge the member for the additional interest resulting from the difference between the Community Investment Advance rate extended to the member and the market rate at the time the Advance was originated. **Upon approval of this application, disbursement of funds is subject to the credit and collateral requirements of the Bank.***

Certification: The undersigned, an authorized representative of Member Institution, certifies the information contained in this application is true and correct to the best of their knowledge and the funds made available to the Member Institution through the Community Investment Advance (CIA) program will be used to meet the respective targeting requirements of the Community Investment Advance program. In connection with this CIA application, the Member Institution has:

1. Provided financing to beneficiaries whose access to other sources of liquidity is impaired by the COVID-19 pandemic and whose CICA funding requests are therefore necessary to address the effects of the pandemic;
2. Provided financing to a Paycheck Protection Program (PPP) eligible borrower;
3. Received all applicable documents required to evidence compliance with PPP; and,
4. Received from the borrower a certification, in good faith, that meets the requirements of PPP.

In addition, the use of the advance is consistent with the Community Investment Advance application approved by the Bank. The Member Institution has also provided documentation to the Bank, including a description of how the project meets the requirements, and where appropriate, a statistical summary or list of incomes of the borrowers, rents for the project or salaries of jobs created or retained.

I, _____, _____,
(Print Name) (Title)

of _____, hereby certify the above statement is true and
(Member Institution)

correct. _____
(Signature) (Date)

FHLB Des Moines Approval: _____
(FHLB Des Moines Authorized Signature) (Date)

Community Investment Advance Paycheck Protection Program Lending Application

DEFINITIONS

Commercial Loans: A debt-based funding arrangement that a government, business, or farm may obtain from a financial institution to fund capital expenditures and/or operations. Commercial loans may also be for refinance of existing commercial loans. Commercial loans may not include loans for personal expenditures of a business owner such as a home or vehicle, and may not include loans for residential rental property (see the Residential Lending Advance).

Economic Development Projects: Economic development projects may include: (1) **Commercial Loans** to support commercial, industrial, manufacturing, social service, and public facilities projects and activities; and public and private infrastructure projects such as roads, utilities, and sewers; (2) purchase of a participation interest or financing to participate in an eligible economic development project; (3) loans to entities that in turn make loans to eligible economic development projects. Economic development projects may include **Mixed Use** projects.

Rural Area: A unit of general local government with a population of 25,000 or less; an unincorporated area outside an MSA; or an unincorporated area within an MSA that qualifies for housing or economic development assistance from the USDA. USDA eligibility for business programs is provided at:

<http://eligibility.sc.egov.usda.gov/eligibility/welcomeAction.do>. Contact FHLB Des Moines for assistance.

Small Business Lending: A loan to a "small business concern," as the term is defined by section 3(a) of the Small Business Act (15 U.S.C. 632(a)) and implemented by the Small Business Administration under 13 CFR part 121, or any successor provisions. SBA defines a small business concern as one that is independently owned and operated, is organized for profit, and is not dominant in its field. Depending on the industry, size standard eligibility is based on the average annual receipts over a three year period, or average number of employees for the preceding twelve months.

Business NAICS codes and applicable size standards may be found at: <https://www.sba.gov/document/support-table-size-standards>

Average annual receipts (i.e. gross revenue or gross receipts) are typically the average of three years. Use the receipts as reported in the borrower's federal tax return. Include the income of affiliates and subsidiaries. If the borrower has been in operation less than three years, provide an average based on the number of weeks the borrower has been in operation, using tax returns and any other available information, such as the borrower's financial statements.

Average employment is typically an average of the preceding completed 12 calendar months. To determine number of employees, count all individuals employed on a full-time, part-time, or other basis, including employees of affiliates, if applicable. If a borrower has been in operation less than 12 months, calculate the average from the number of pay periods during which it has been in business.

Instructions for calculating average receipts and average employment can be found at:

<https://www.sba.gov/content/part-121-small-business-size-regulations-1>

Urban Area: A unit of general local government with a population of more than 25,000 or an unincorporated area within a MSA that does not qualify for housing or economic development assistance from the USDA. USDA eligibility for business programs is provided at: <http://eligibility.sc.egov.usda.gov/eligibility/welcomeAction.do>. Contact FHLB Des Moines for assistance.