



Down Payment Assistance Products

Technical Assistance: Down Payment Products

FHLB Des Moines Community Investment Department

Key Information

- 2025 Down Payment Program Overview
- Eligible Households, Use of Funds, Properties and Mortgage Types
- Home\$tart and NAHI
- Funding Round Details and Member Caps
- Documents and Resources
- Accessing Funds and Getting Started
- Contact Information



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2025 PROGRAM OVERVIEW

Federal Home Loan Bank of Des Moines (FHLB Des Moines)

Who is FHLB Des Moines?

- FHLB Des Moines is a member-owned cooperative that provides funding solutions and liquidity to over 1200 members to support mortgage lending, economic development and affordable housing in the communities they serve.
- Our district includes: Alaska, American Samoa, Guam, Hawaii, Idaho, Iowa, Minnesota, Missouri, Montana, North Dakota, North Mariana Islands, Oregon, South Dakota, Utah, Washington and Wyoming.



- FHLB Des Moines reserves 10% of net income for the **Affordable Housing Program** each year, including a **Down Payment Program**.

Down Payment Programs

Funds are available through FHLB DM Member Banks Only and Members can partner with a non-profit, another lender or reserve the funding for their own customers. Reservations must be submitted prior to closing.

****Grants are only available at the Maximum grant limit per household***

Home\$tart® is available to **first time homebuyers** and can be used anywhere a member does business. The grant amount per household for this program is \$15,000 and for purchases in Hawaii the grant amount is \$25,000.

Native American Homeownership Initiative (NAHI) is available to eligible Native American, Native Alaskan, and Native Hawaiian households. Funds must be used in the Bank's district. The maximum grant amount per household for this program is \$25,000.

Eligible Use of Down Payment Funds include:

- Down payment and closing costs for the purchase of a residence
- Counseling/Homebuyer Education costs related to the purchase – up to \$250

Eligible Households must:

- Be at or below 80% of the area median income
- Include all income from current household members
- Complete a Homebuyer Education Course prior to closing (verified at reservation approval and disbursement)
- Occupy the property they are purchasing as their primary residence
 - **Non-occupant co-buyers, cosigners and guarantors are permitted only in instances in which they will not be on title and the household qualifies for the mortgage amount on their own.**

Using Home\$tart or NAHI in your purchase transaction

Eligible properties

- Down payment funds may be used on and off tribal land, with a community land trust, and with multifamily units
- In District Purchase price limits can be found [here](#)
- Manufactured homes are eligible as long as they are on a permanent foundation and not considered chattel/personal property

Mortgages

- Down payment funds may be used with Conventional, FHA, USDA, VA, HUD-184, HeritageOne and Portfolio products – must be amortizing, fixed or adjustable terms and must not exceed HOEPA thresholds or be less than 5 years in term
- Grant funds are secured via a 5-year term Deed Restriction/Lease Addendum that is self-extinguishing when the term has been met. Grant funds are forgiven pro rata over the 60-month deed term and may be fully forgiven prior to the full term of the grant under certain circumstances.
- Home\$tart and NAHI down payment funds may be layered with other down payment products and may be in last recording position

Down Payment Product Programs Available

Program Guidelines are updated annually and are available on the Bank's website at:

Home\$tart®: <https://www.fhlbdm.com/products-services/affordable-housing/homestart/>

NAHI: <https://www.fhlbdm.com/products-services/affordable-housing/nahi/>

Complete an income calculation workbook prior to reservation, verifying the Buyer qualifies

- The Income Calculation Guidelines and an Income Calculation Workbook can be found on the [Forms and Resources](#) program webpages and should always be pulled from here each time to ensure the most recent document is being used
- Income is calculated as of the Enrollment Date, the date the reservation is initiated in our system noted as the Funds Reserved date on the Timeline screen.
- Income documentation should be the most current, per [Income Calculation Guidelines](#) for the income type, up to the enrollment date (the Funds Reserved Date hard coded into the system).
- Workbook calculated income may not exceed 80% of the area median income, based on total household size, per [HUD or NAHASDA income limits](#).

Round Open and Close Date & Member Caps

Home\$tart and NAHI Open and Close Dates

Down Payment Round Opens

January 2, 2025

Funds are available to members on a first-come first-serve basis until general pool limits for each program or member cap is exhausted. The 2025 Round will close December 31, 2025.

Annual Member Cap:

- \$150,000 maximum for **Home\$tart®**
- \$150,000 maximum for **NAHI**

The member cap is the maximum amount of funds a member is able to reserve per program guidelines as long as funds remain available in the general pool.

Once the general pool is fully reserved, no additional funds are added until the next quarterly funding date for that round.

However, funds routinely return to the pool through expiring reservations, withdrawals and occasional over income households. Check back often.

2025 Round Funding and Funding Dates

2025 Funding Schedule

Date of Funds	Home\$ ^{start} Amount	<u>NAHI Amount</u>
January 2, 2025	\$3,000,000	\$150,000
April 1, 2025	\$4,000,000	\$350,000
July 1, 2025	\$4,000,000	\$350,000
October 1, 2025	\$3,000,000	\$150,000

*** Funds available no sooner than 12:00 PM CDT**

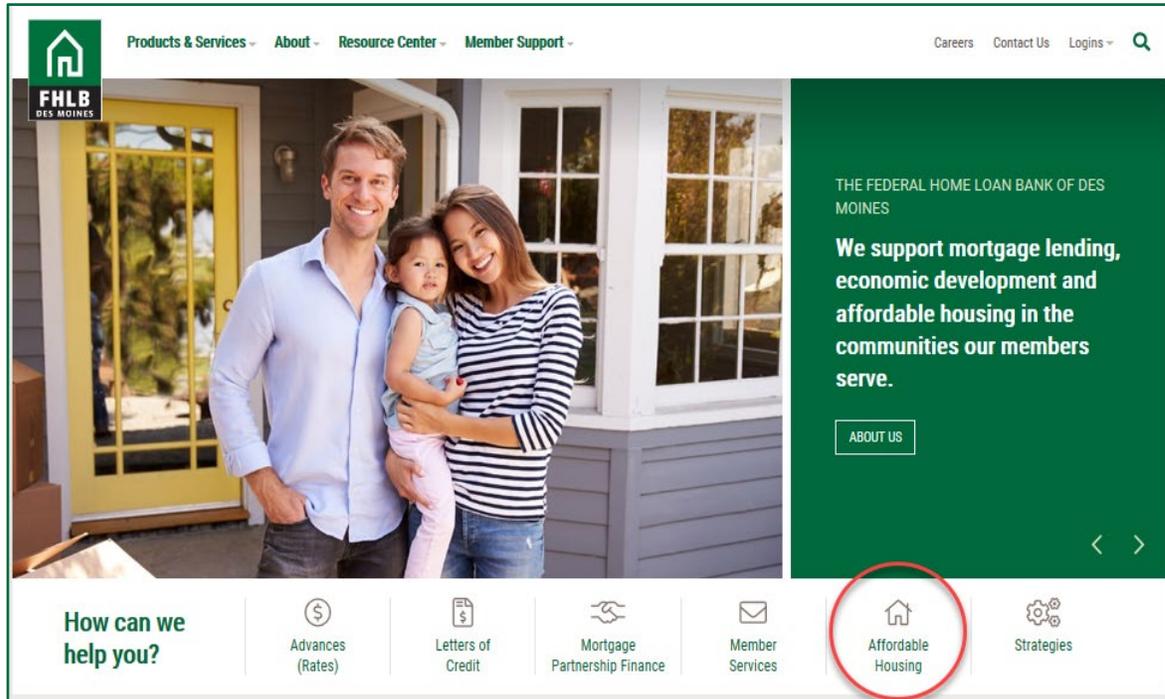


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DOCUMENTS & RESOURCES

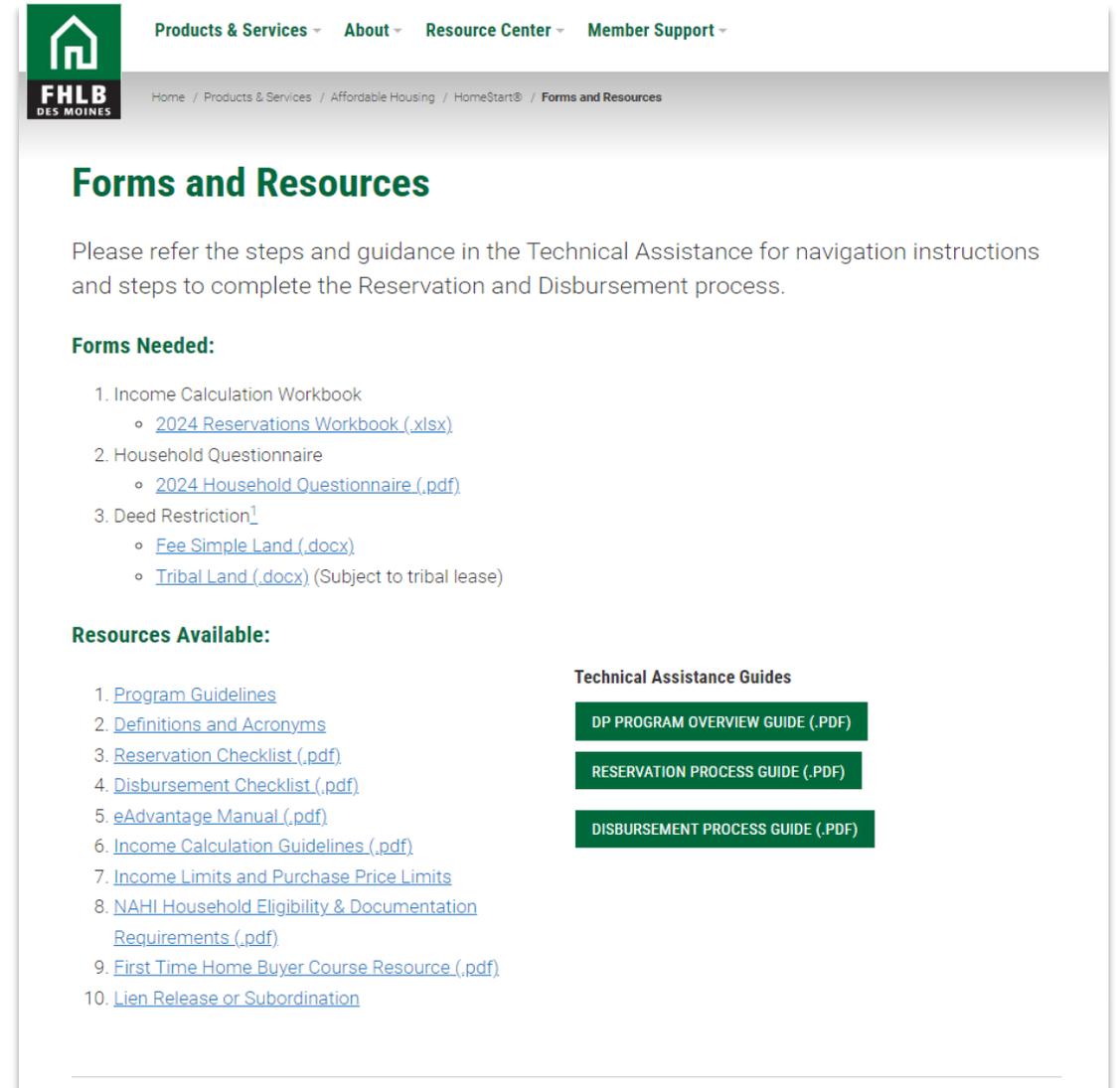
Down Payment Products Resources

Select Home\$tart® or the Native American Homeownership Initiative (NAHI) to find the [Forms and Resources](#) page



Find more information on:

- The Bank’s website <https://www.fhlbdm.com> contains information on our Affordable Housing Programs, including the down payment programs.
- Select Home\$tart® or the Native American Homeownership Initiative (NAHI) to find the [Forms and Resources](#) page





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GETTING STARTED WITH THE DOWN PAYMENT PROGRAM

Accessing Funds and Getting Started

- A Member must first enter into a Down Payment Program Agreement with FHLB Des Moines. Agreements and instructions can be found on each of the Program webpages, under [“Get Started”](#).
- Reservations and Disbursement requests are submitted via DP Online which is accessed through eAdvantage, a member’s secure link to FHLB Des Moines. Instructions for setting up user access can be found in the [eAdvantage/DP Online Access Manual](#).
- The Member advances the grant funds at closing after receiving an eligibility determination for the buyer’s household and submits a disbursement request post-closing with the required documentation for FHLB DM review.
- Once the disbursement request and closing documentation have been reviewed and approved grant funds will be transferred to the Member’s DDA account for reimbursement.
- Our Down Payment team provides program training for new users and those that require or want a refresher.



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WHERE TO FIND US

Contact Information: Down Payment Products

Community Investment:

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