



Federal Home Loan Bank  
NEW YORK



# Homebuyer Dream Program<sup>®</sup> Training Seminar for the 2024 Round

November 2023

# Today's Agenda

- Homebuyer Dream Program® (HDP®) Overview
- HDP® Allotment Methodology
  - Q&A
- HDP : Lifecycle
  - Q&A
- Member Administration of the Program
  - Q&A
- Analysis of Recent Rounds





# **HOMEBUYER DREAM PROGRAM<sup>®</sup>**

## **OVERVIEW**

# Homebuyer Dream Program® Overview

First-time homebuyer set-aside program offered by the Federal Home Loan Bank of New York (FHLBNY). The FHLBNY contributes 10% of its previous year's net earnings to the Affordable Housing Programs.

- Provides down payment and/or closing cost assistance to first-time homebuyers
- Total household income must be at or below 80% of the Area Median Income for the county in which the household is purchasing
- Grant up to \$19,500 per household with an additional \$500 towards defrayment of nonprofit counseling agency costs for a maximum amount of \$20,000
- Household can purchase a property in any U.S. state or territory

The HDP® Round will open on January 8, 2024, offering a total of \$25,080,000 in grant funds.





# **HOMEBUYER DREAM PROGRAM<sup>®</sup>**

## **ALLOTMENT METHODOLOGY**

# Individual Member Allotment

## Allotment Process

- To receive an allotment, members must provide the following by November 7, 2023:
  - Member Participation Agreement (Form: HDP-001)
  - HDP File Transfer System Enrollment (Form: HDP-002)
- Allotments are communicated within 30 days of the Round opening
- HDP participating members will be provided an individual allotment to be used for eligible households
- Members have until August 30, 2024, at 5:00 p.m. ET to fully reserve allotments



## Reallotment Process → If remaining funds are available

- On September 4, 2024, unreserved allotments will be redistributed in order of exhaustion
- Exhaustion is defined as a remaining initial allotment of \$20,000 or less

**The 2024 Homebuyer Dream Program® Round ends on November 29, 2024, or when funds are exhausted – whichever happens first.**

# 2024 Homebuyer Dream Program® Round

Allotments will be distributed equitably



## Factors that determine individual member allotments:

- Total allocation for the HDP® Round
- Maximum grant amount
- Number of members that participate in the 2024 HDP® Round
  - Historical commitments of participating members
- Determination of the round floor & ceiling

# Homebuyer Dream Program® - Key Dates

## 2024 Annual HDP® Round Details:

- Member Participation Agreement due: November 17, 2023
  - Members that do not comply with the November 17<sup>th</sup> deadline will be ineligible to participate in the 2024 HDP® Round and will not receive an allotment.
- Communication of allotment: Within 30 Days of Round Opening
  - The 2024 HDP® Request Form will also be available on the FHLB NY's website.
- Round opens with initial allotment: January 8, 2024
- Initial allotment ends: August 30, 2024
- Reallotment begins for eligible members: September 4, 2024
  - Participating members with exhausted allotments may receive additional funds; however, additional funds are not guaranteed.
- Round closure: November 29, 2024 or when funds are exhausted - whichever comes first







# **HOMEBUYER DREAM PROGRAM<sup>®</sup>**

## **LIFE CYCLE**

# Homebuyer Dream Program<sup>®</sup> Life Cycle

## DETERMINING HOUSEHOLD ELIGIBILITY



Member qualifies household based on program parameters outlined within the HDP<sup>®</sup> Guidelines

## HOUSEHOLD RESERVATION REQUEST



Member submits a new household reservation request to the FHLB NY via our File Transfer System

## COMMITMENT OF GRANT



FHLB NY reviews reservation request for eligibility, and upon approval, issues a commitment to the member for a period of 120 days

## FUNDING OF GRANT



- Member submits a funding request no later than 15 days prior to the commitment expiration
- Funds are disbursed to the member on a post-closing basis

## RETENTION PERIOD



The homebuyer(s) must maintain ownership of the property for a period of five years from the closing date, with a retention document in place



# Household Eligibility

**Member determines initial household eligibility and must take the following actions:**

- Vet the household and confirm that it qualifies as a first-time homebuyer, as per HDP<sup>®</sup> guidelines
- Certify total household income is at or below 80% area median income
- Review and approve a fully executed Purchase and Sales Contract provided by household
- Confirm a minimum equity contribution of \$1,000 towards the purchase
- Assess homeownership counseling certificate
- Ensure execution of applicable 5-year retention document at closing



# Submitting a Reservation Request

Request must be submitted as one zip file via the FHLBNY's File Transfer System and include the following:

- Income documentation
  - For all sources of income
- Homeownership Counseling Certificate
- HDP® Homebuyer Certification (HDP-004)
- Homebuyer Dream Program® Request Form (HDP-005)
  - Select “New Household Reservation Request”
  - 100% Completed
  - MS Excel format, containing the “.xlsx” file extension

If applicable:

- Zero Income Certification (AHP/HDP-001)
- Legal separation agreement and/or divorce decrees

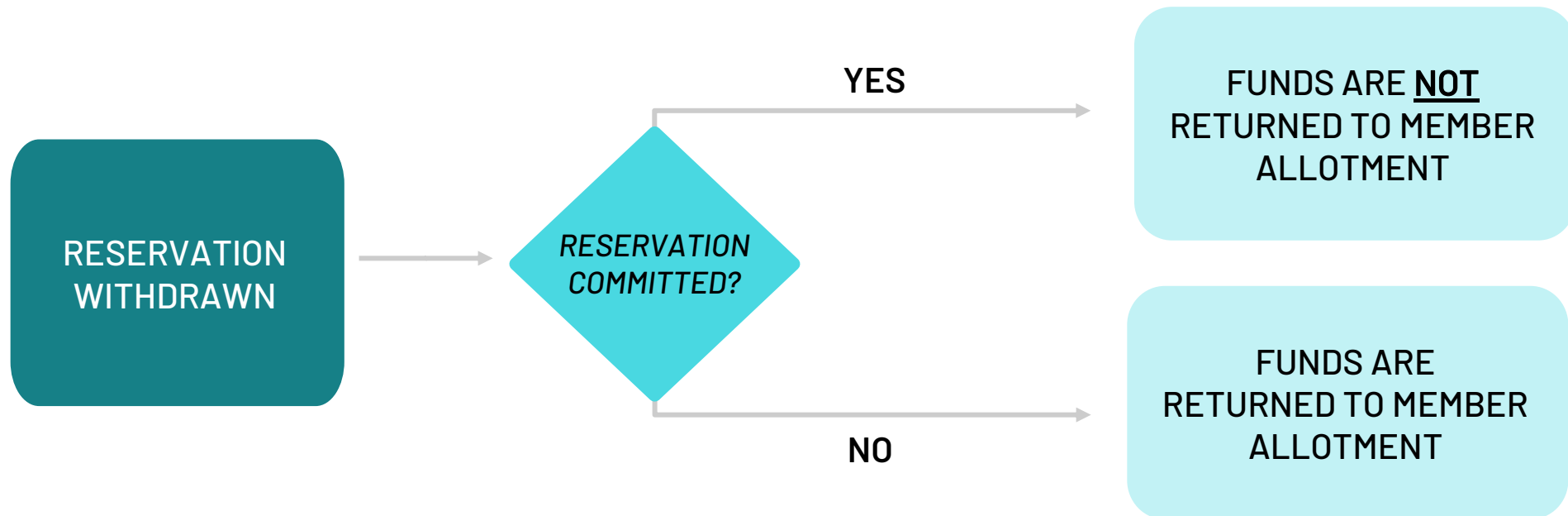


# Submitting a Reservation Request

When does the reservation impact your member allotment?

At successful upload to the FHLB NY File Transfer System

What happens if your household reservation is withdrawn?





# Commitment of Grant

- Upon review and approval of reservation request, FHLBNY notifies member via email


## Commitment:

- Valid for 120 days
  - Not transferrable to another:
    - ✓ Purchase property
    - ✓ Member
    - ✓ Homebuyer(s)
  - May not increase after issuance
- The household closing and reimbursement of funds to the member must occur by expiration of the 120-day commitment
  - Reductions to household commitment amount do not result in a credit to member allotment



# Submitting a Funding Request

A request must be submitted as one zip file via the FHLBNY's File Transfer System at least 15 days prior to the commitment expiration

- Homebuyer Dream Program® Request Form (HDP-005)
- Retention Documents 
- Closing Disclosure
  - Itemize total grant amount as “HDP® Grant”
  - \$1,000 minimum equity contribution
  - Cash back to household cannot exceed \$250
  - Grant layering is acceptable
  - Disclose nonprofit counseling agency fee, if applicable
- Certification of Intent to Record

## Conventional Loan

- Retention (HDP-006)

## Federal Housing Administration (FHA)





- FHA Retention (HDP-006 FHA)

## Co-Op Financing

- Retention (HDP-006 COOP)

## Puerto Rico

- Retention (HDP-006 PR)
- FHA Retention (HDP-006 FHA PR)

-  1\_Retention Documents.pdf
-  2\_Closing Disclosure.pdf
-  3\_Certificate of Intent to Record.pdf
-  HDP Funding Request.xlsx



# Retention Period

- The Retention Period for HDP<sup>®</sup> households is five (5) years from the date of closing.
- The homebuyer(s) agrees to maintain ownership for a period of five (5) years from the closing date. Repayment of a prorated portion of the HDP<sup>®</sup> grant may be required.
- The member agrees to notify the FHLBNY if an HDP household sells, transfers, or assigns title or deed of the subject property.
- The AHP Recapture Request Form and tutorial are located on the FHLBNY's website: [www.fhlbny.com](http://www.fhlbny.com).
- HDP<sup>®</sup> grants are forgiven at the end of the retention period if the homebuyer(s) owns the home for the full five-year term.
- At the end of the five-year Retention Period, the member is responsible for recording a release of lien.







# **HOMEBUYER DREAM PROGRAM<sup>®</sup>**

## **REQUEST FORM**

# HDP® Request Form

- New Household Reservation Request
- Funding Request
- Other Documentation Request

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## Homebuyer Dream Program® Request Form

Which type of form would you like to submit?

New Household Reservation Request

Funding Request

Other Documentation Request

**Initiate Household Request**

*Note that once you've started the request form, you **will not** be able to change the form type; please ensure the correct type is selected before proceeding.*

**Additional Resources**

[FHLBNY Homebuyer Dream Program \(HDP\) Webpage](#)

HDP-005: Homebuyer Dream Program Request Form

# 2024 HDP® Request Form Enhancements

- The 'Income Area' field is a new enhancement in 2024
- Under the 'Median Income Guidelines' section, the 'Other States/Territories' button now gives you the ability to filter by state to support a broader range of income limits.

Homebuyer Dream Program® Request Form - 2024 Round

HDP-005: Homebuyer Dream Program Request Form

Primary Borrower Not Yet Specified % Complete (Required Fields) 0% New Household Reservation Request

Household Qualification Back to Top ^

Status: Not Started

Homeownership Counseling

Counseling Agency (If Agency is not in list, select 'Other' and define below) Counseling Completion Date

If 'Other' selected, type in Counseling Agency name:

Household Income

An Income Calculation Worksheet must also be completed as part of this request. Please use the following link to access and complete the Income Calculation Worksheet:

Open Income Calculation Worksheet

Please check the following box once the Income Calculation Worksheet has been completed:

The Income Calculation Worksheet has been fully completed

Income Area

Family Size Household Income Max. Allowable Income % of MFI

Median Income Guidelines

New Jersey New York Puerto Rico US Virgin Islands Other States/Territories

FHLBNY\_HomebuyerDreamProgram\_eForm\_v6.0.0.xlsx - Read-Only - Unmonitored - Excel

Return to New Household Reservation Request

HUD Income Limit Guidelines: Others States/Territories (2023)

State	Income Area Name	Household Size							
		1	2	3	4	5	6	7	8
AK	Kodiak Island Borough, AK	\$61,250	\$70,000	\$78,750	\$87,500	\$94,500	\$101,500	\$108,500	\$115,500
AK	Kusilvak Census Area	\$52,650	\$60,200	\$67,700	\$75,200	\$81,250	\$87,250	\$93,250	\$99,300
		\$52,650	\$60,200	\$67,700	\$75,200	\$81,250	\$87,250	\$93,250	\$99,300
		\$62,950	\$71,950	\$80,950	\$89,900	\$97,100	\$104,300	\$111,500	\$118,700
		\$66,300	\$75,750	\$85,200	\$94,650	\$102,250	\$109,800	\$117,400	\$124,950
		\$58,700	\$67,100	\$75,500	\$83,850	\$90,600	\$97,300	\$104,000	\$110,700
		\$58,150	\$66,450	\$74,750	\$83,050	\$89,700	\$96,350	\$103,000	\$109,650
		\$62,650	\$71,600	\$80,550	\$89,450	\$96,650	\$103,800	\$110,950	\$118,100
		\$58,650	\$67,000	\$75,400	\$83,750	\$90,450	\$97,150	\$103,850	\$110,550
		\$66,300	\$75,750	\$85,200	\$94,650	\$102,250	\$109,800	\$117,400	\$124,950
		\$52,650	\$60,200	\$67,700	\$75,200	\$81,250	\$87,250	\$93,250	\$99,300
		\$55,250	\$63,150	\$71,050	\$78,900	\$85,250	\$91,550	\$97,850	\$104,150
		\$54,500	\$62,300	\$70,100	\$77,850	\$84,100	\$90,350	\$96,550	\$102,800
		\$52,650	\$60,200	\$67,700	\$75,200	\$81,250	\$87,250	\$93,250	\$99,300
		\$58,350	\$66,700	\$75,050	\$83,350	\$90,050	\$96,700	\$103,400	\$110,050
		\$59,150	\$67,600	\$76,050	\$84,500	\$91,300	\$98,050	\$104,800	\$111,550
AK	Kodiak Island Borough, AK	\$61,250	\$70,000	\$78,750	\$87,500	\$94,500	\$101,500	\$108,500	\$115,500
AK	Kusilvak Census Area	\$52,650	\$60,200	\$67,700	\$75,200	\$81,250	\$87,250	\$93,250	\$99,300

# HDP® Resources

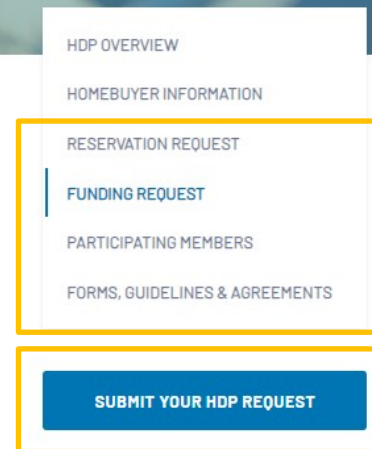
The HDP Request Form, tutorials for HDP® Reservation Requests, Funding Requests, Recaptures, along with other forms, guidelines and agreements, are located on the FHLBNY's website.



## Homebuyer Dream Program® (HDP®) Funding Request

Grant funds under the HDP are disbursed to the member on a post-closing basis. The FHLBNY requires the closing and the reimbursement of funds to the Member to occur within the 120-day commitment period. Funding requests should be submitted to the FHLBNY no later than fifteen (15) days prior to commitment expiration.

The member will need to submit a [HDP Round Request Form](#) (in MS Excel format, containing the .xlsx file extension) selecting the Funding Request option. The HDP Round Request Form along with the





# **MEMBER ADMINISTRATION OF THE PROGRAM**

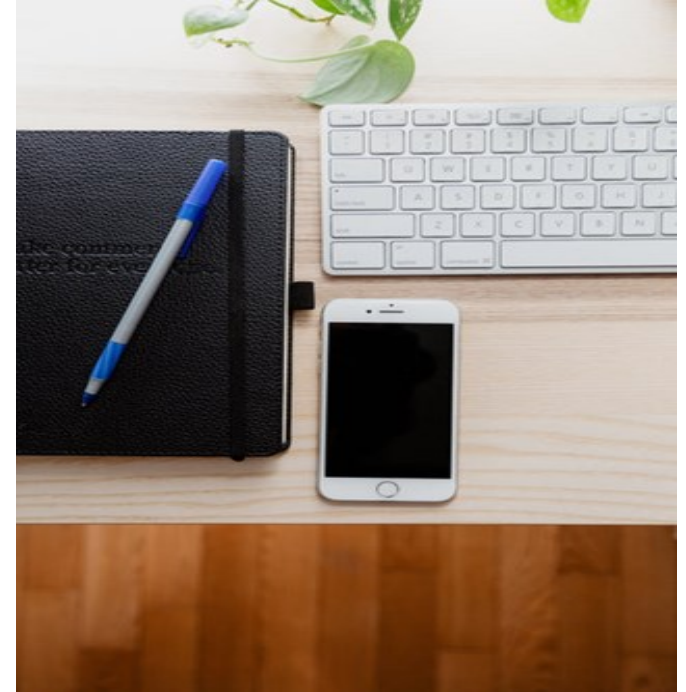
# Member Administration of the Program

## Forms & Documents

- Familiarize yourself with our AHP Implementation Plan, HDP® Guidelines, & HDP® tutorials
- Files submitted via the FHLBNY's File Transfer System must be done as one Zip file
- An HDP® Request Form (.xlsx file extension) is required for all submissions (Reservations, Fundings, Other Documentation)

## Member Communication & Contacts

- The creation of a group email ensures your internal partners keep abreast during the household's lifecycle
- Ensure primary contacts have an alternate resource
- Everyone affiliated with HDP® within the organization should be familiar with key dates to the program



# Member Administration of the Program

## Reservation/Funding Requests

- FHLBNY forms must be downloaded from our website and submitted for each individual intake
- Provide legible documents
- Review all packages prior to upload
- Reservation Requests with outstanding conditions are denied after 2 business days from receipt of email



## Counseling

- \$500 in defrayment subsidy is paid directly to the nonprofit counseling agency at closing
- Counseling agency name and counseling cost must be itemized on the Closing Disclosure
- Counseling program must be provided by an agency that is accredited by HUD, a State Government or State Housing Finance Agency (SHFA), or the National Industry Standards for Homeownership Education and Counseling

# Member Administration of the Program

## Tracking of Commitments

- It is the members' responsibility to monitor the commitment period
- Reimbursement of funds to occur by the commitment expiration date
- At the time of commitment expiration, the household is withdrawn from the program
- Once a commitment is issued, increases to the grant amount are not permitted

## Pipeline Status Reports

- The FHLB NY uploads the report regularly via our File Transfer System
- Use the report to effectively manage the 120-day commitment period
- Provided to assist with the reconciliation of your active pipeline
- Manage expectations of turn around times during peak season







# ANALYSIS OF RECENT ROUNDS

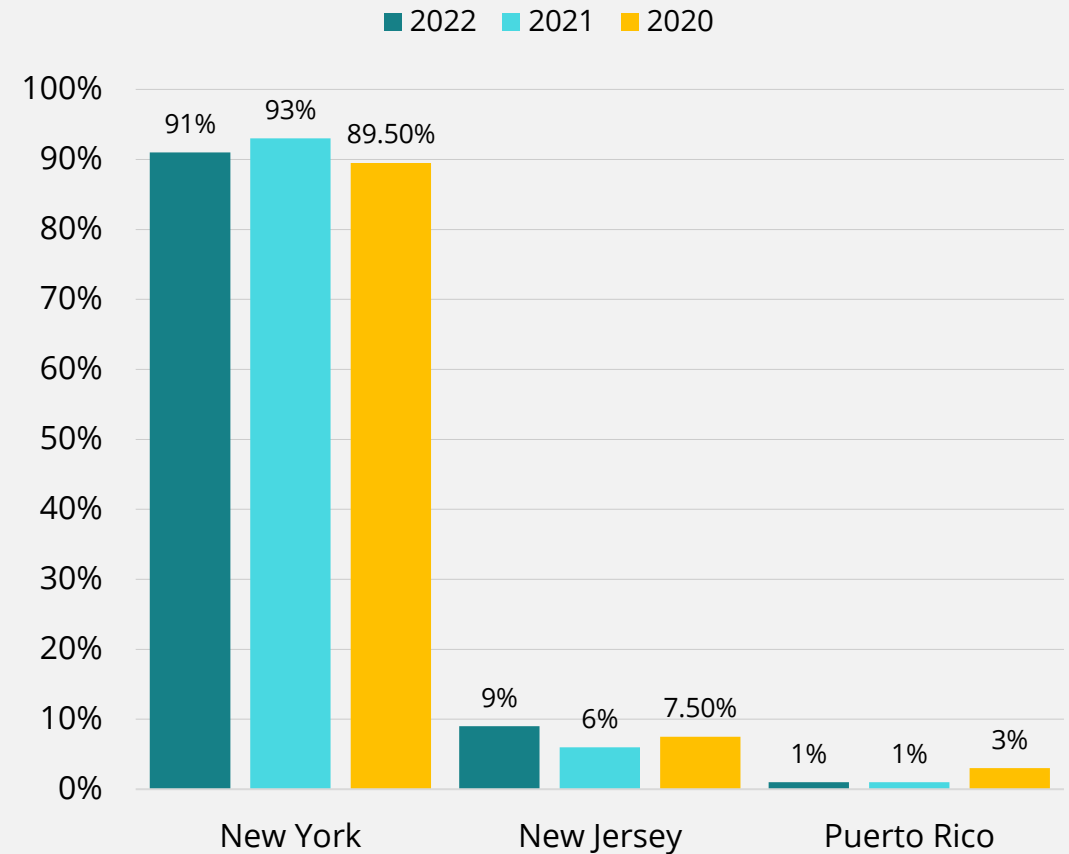


# Program Volume and Geographic Distribution

- Funds committed
- Number of households assisted
- Commitment Success Rate

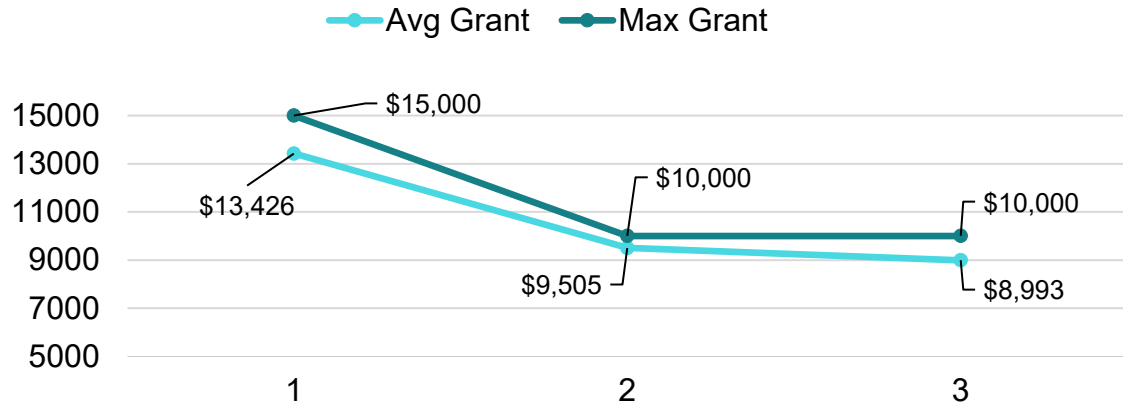
2020	2021	2022
\$14,850,000	\$13,500,000	\$10,900,000
1,106	1,425	1,217
98%	99%	97%

Geographic Distribution of 2020-2022 HDP® Commitments

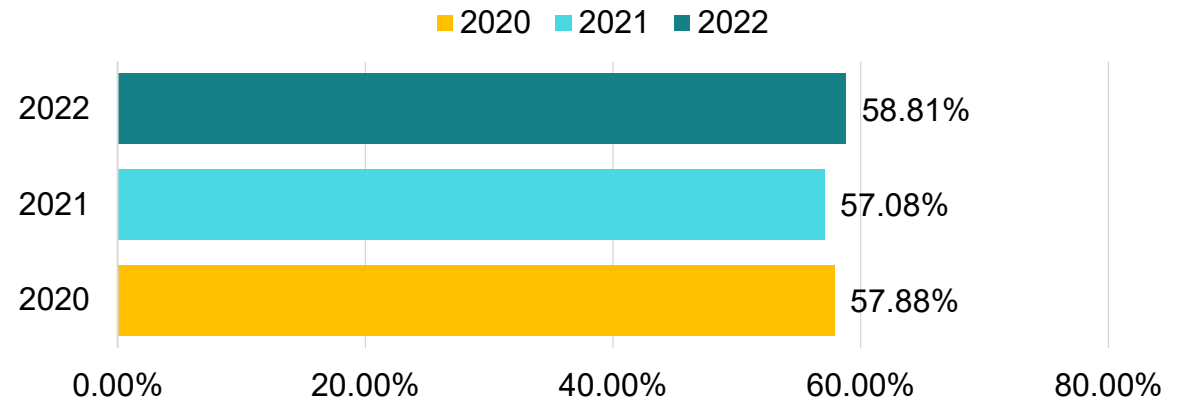


# Household Characteristics

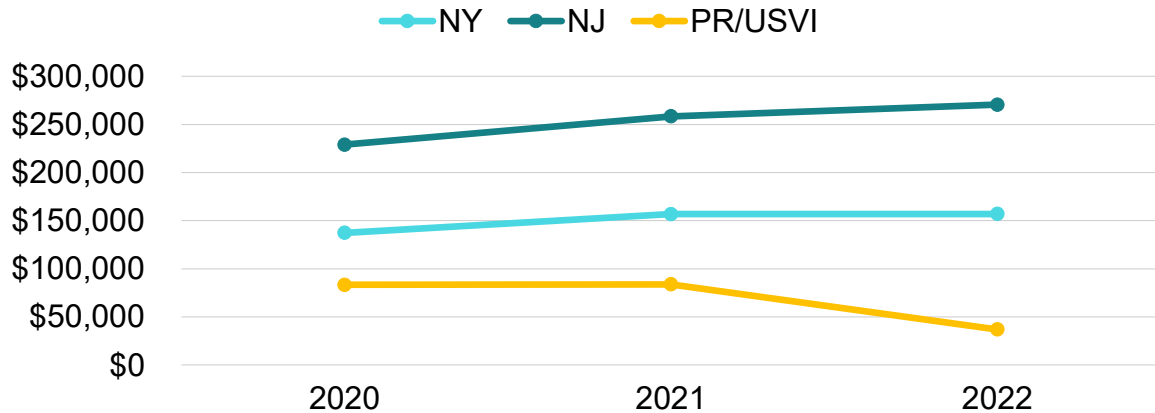
## Grant Amount



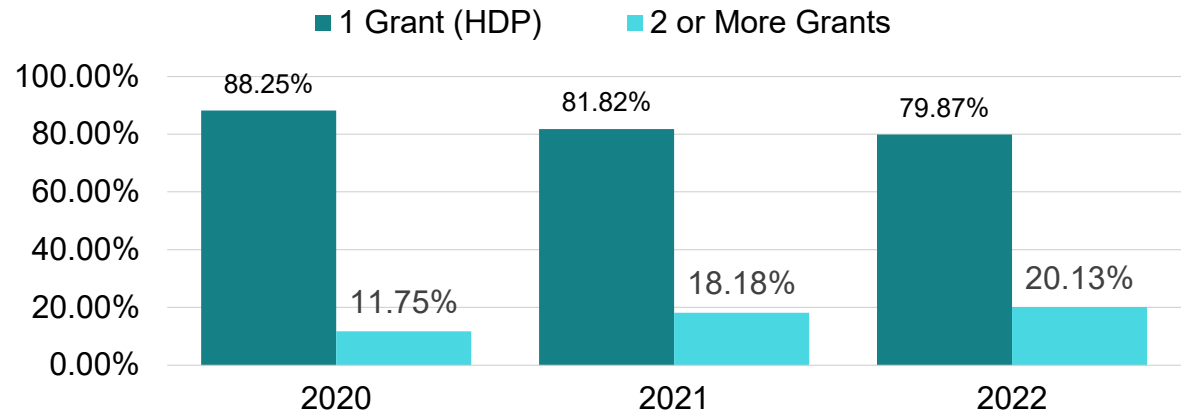
## Average Household AMI Percentage



## Average Sales Price



## Grant Layering





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# Advancing Housing and Community Growth

Questions or additional  
information:

[HDP@fhlbny.com](mailto:HDP@fhlbny.com)

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