

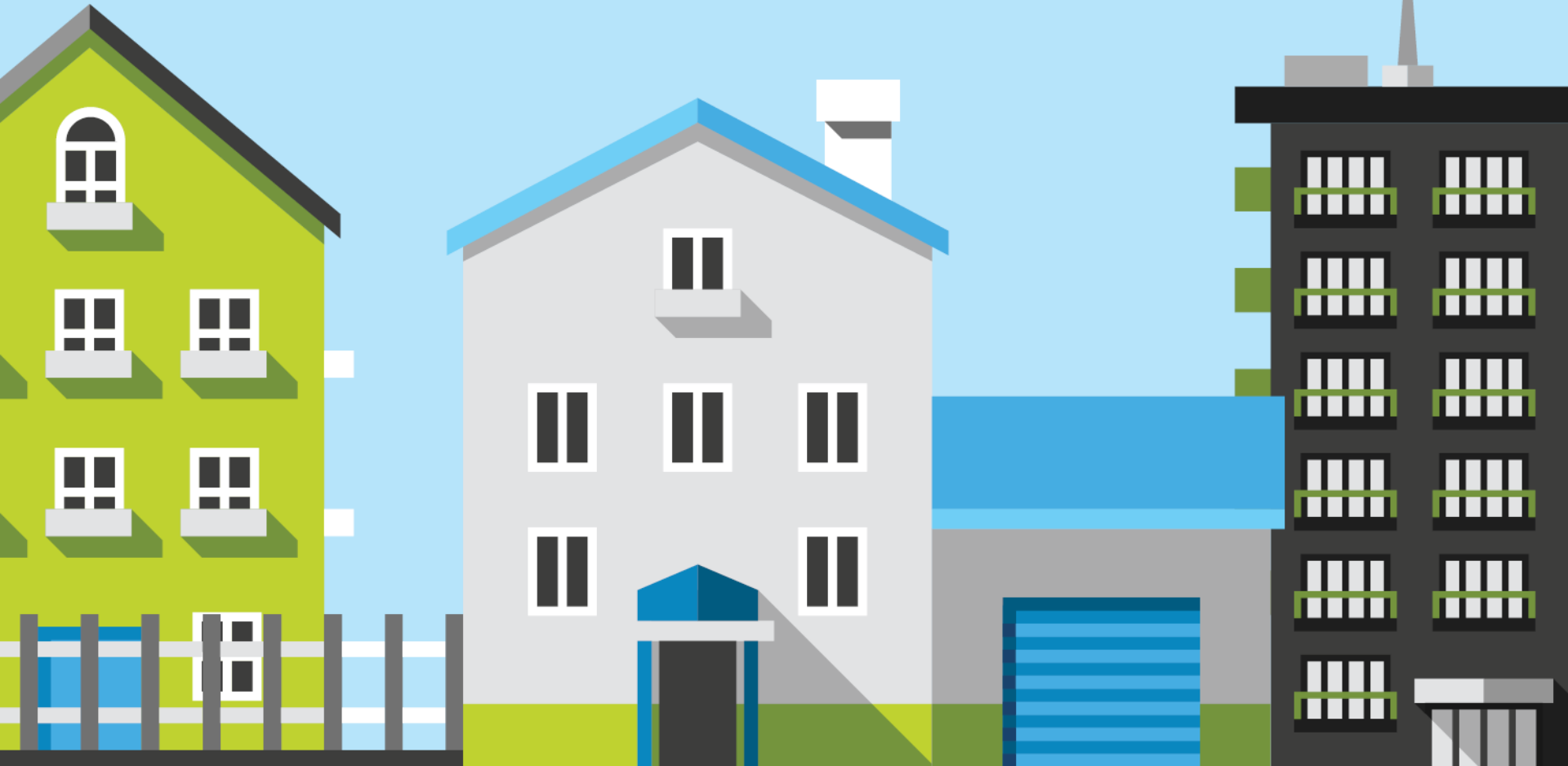
Community Development Advance



Agenda

- What is the CDA Program?
- CDA Extra Eligibility
- CDA Eligibility
- Three-Month Look-Back
- Reporting
- Resources

What is the CDA Program?



CDA Program

The Federal Home Loan Bank of Boston's Community Development Advance (CDA) Program is governed by the Community Investment Cash Advance (CICA) regulation 12 CFR 1292.5.

The CDA Program offers two advance products available continuously to all members, CDA Extra and CDA. These advances, simply put, are loans from the Bank to member financial institutions to fund their housing and economic development initiatives.

- All advances under the CDA Program require an application and approval prior to funding.



CDA Program

- **CDA Extra** is a deeply discounted advance that supports affordable housing serving households at or below 115 percent of the area median income and economic development or mixed-use initiatives serving households at or below 80 percent of the area median income.
- **CDA** is a discounted advance that supports a variety of economic development and mixed-use initiatives in urban areas with incomes at or below 100 percent of the area median income and rural areas with incomes at or below 115 percent of the area median income.





CDA Program

Community Development Advance Program's Performance

Since 1990, the CDA Program has disbursed over **\$14.9 billion** across New England and other states outside New England.

Funding Benefitted:

- **75,911** housing units
- **1,171** economic-development or mixed-use initiatives

Program Benefits

Benefits :

- Bank's lowest cost advances
- Expands community development lending
- Meets the credit needs of communities
- Easy to find qualifying loans

Allows You To:

- Compete on term
- Lock in spread and term
- Mitigate interest-rate risk
- Provide lower cost of funding to community
- May qualify for CRA consideration

Rates

- CDA is a discounted advance
- CDA Extra is a deeper discounted advance
- Available as Classic (bullet), Amortizing, and Member Option advances
- CDA/CDA Extra available in terms from one-year to 20-year maturity/30-year amortization

Long-Term	Short-Term	Amortizing	Advance Specials	
Long-Term Classic Advance Rates				
Effective 09:20 AM March 20, 2018				
Term	Reg.	CDA	CDA Extra	NEF
1yr	2.38	2.28	2.25	2.36
2yr	2.77	2.56	2.52	2.75
3yr	2.90	2.69	2.64	2.88
5yr	3.12	2.90	2.83	3.10
7yr	3.35	3.12	3.03	3.33
10yr	3.57	3.33	3.22	3.55
15yr	3.89	3.70	3.54	3.87
20yr	3.97	3.83	3.62	3.95

For Current Rates: <http://www.fhlbboston.com/rates/advances/index.jsp>

Member Limits

CDA Program Approval and Disbursement Limits

- Total member **annual** limit **\$50 million** Combined
 - CDA Extra - \$15 million maximum
 - CDA - \$35 million maximum
- No increases to annual limits are permitted

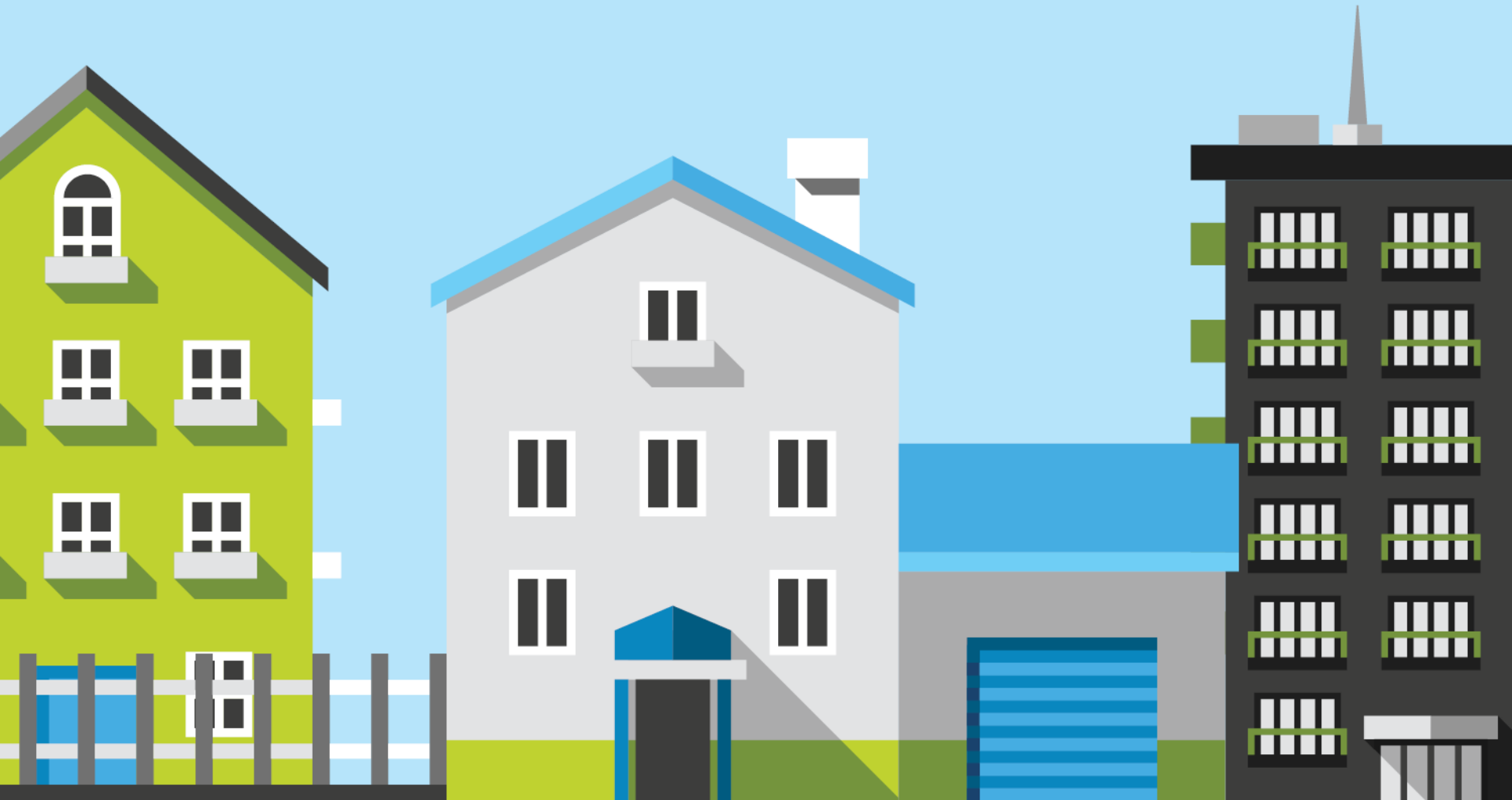


How to Apply

The Application Process

- Easy-to-use online application
- Submitted applications processed within 10 business days
- No commitment to borrow
- No restrictions on incremental disbursements
- No obligation to match fund initiative
- Online report submission
- Approved applications expire after six months
- No extension of approvals are permitted

CDA Extra



CDA Extra Uses

Members may use CDA Extra to fund:

- Future originations;
- Originations up to three months prior;
- Loan refinancing;
- Entities that make loans for eligible housing or economic development initiatives, such as a CDFI;
- Participation interest in a loan consortium;
- Purchase Low Income Housing Tax Credits;
- Purchase Mortgage Revenue Bonds/Mortgage-backed securities; or
- Create or maintain a secondary market for loans.

CDA Extra Application Options

CDA Extra – Housing/Economic Development

- Mortgage Financing
 - Single or Multifamily Financing
- Economic Development – nonresidential
 - Mixed-Use (combined nonresidential/residential structure)
 - Three-Month Look-Back

CDA Extra - Housing

To qualify, the initiative must be a residential initiative serving households based on the following:

- **Income Eligibility:** Housing initiatives serving families/ households with incomes at or below **115%** of area median income for a family of four based on the income guidelines as published annually by HUD*; or
- Manufactured housing parks where the initiative is located in a census tract with a median income at or below **80%** of area median income based on the income guidelines as published by HUD.

* **Reporting Required**

CDA Extra – Economic Development

To qualify, the initiative must be a **non-residential** initiative serving households based on the following:

- **Income Eligibility:** Economic development initiatives benefitting families/households with incomes at or below **80%** of area median income based on the income guidelines as published by HUD. CDA Extra can be used to support:
 - Commercial initiatives
 - Industrial/manufacturing initiatives
 - Public-facility initiatives
 - Social-service initiatives
 - Public/private infrastructure projects

CDA Extra – Economic Development

Economic Development Eligibility

Individual Beneficiaries

- Creates or retains jobs for at least 51% of income-eligible workers*
- Benefits 51% of income-eligible families

Geographic Beneficiaries

- Initiatives serving households at or below 80% of AMI

Located in:

- Income-eligible census tract
- Champion Community
- Empowerment Zone
- Enterprise Community

* Reporting Required

CDA Extra –Mixed-Use

To qualify, the application must support a mixed-use initiative comprised of non-residential and residential space:

- **Eligibility:** Initiative must satisfy the targeted income requirements for at least ONE of the eligibility criteria listed under Housing Initiatives **AND** Economic Development Initiatives.

CDA



CDA Application Options

CDA — Economic Development

- Economic Development – non-residential
- Mixed-Use (combined non-residential/residential structure)
- Three-Month Look-Back



CDA Eligible Uses

Members may use CDA to fund:

- Future originations;
- Originations up to three months prior;
- Loan refinancing;
- Entities that make loans for eligible economic development initiatives; or
- Participation interest in a loan consortium.



CDA

To qualify, the initiative must be a non-residential, or mixed-use initiative serving households based on the following:

- **Income Eligibility:** Economic development initiatives benefitting families/households with incomes at or below:
 - 115% of AMI for a rural initiative or
 - 100% of AMI for an urban initiative

CDA can be used to support:

- Commercial; initiatives
- Industrial/manufacturing initiatives
- Public-facility initiatives
- Social-service initiatives
- Public/private infrastructure projects

CDA – Economic Development

Individual Beneficiaries

- Creates or retains jobs for at least 51% of income-eligible workers*
- Benefits 51% of income-eligible families

Activity Beneficiary

- Initiative qualifies as a Small Business

* Reporting Required

Geographic Beneficiaries

- Urban initiatives serving households at or below 100% of AMI
- Rural initiatives serving households at or below 115% of AMI

Located in:

- Income-eligible census tract
- Champion Community
- Empowerment Zone
- Enterprise Community
- CAIP area
- brownfield
- Indian area
- Area affected by military base closing
- Federal- or state-declared disaster area

CDA – Mixed-Use

To qualify, the application must support a mixed-use initiative comprised of non-residential and residential space:

- **Mixed-Use Eligibility:** Initiatives must meet at least one of the eligibility criteria for economic development. There are no eligibility requirements for the housing portion of a mixed-use initiative.

Three-Month Look-Back



Three-Month Look-back

Used to fund two or more loans originated up to three months before submitting application

- Can be used for the CDA Extra or CDA programs
- One application per application type
- An Excel spreadsheet is provided for each application type
- Loans will be reviewed based on application type

CDA Programs Reporting



CDA Programs Reporting

Members will have two options for providing required beneficiary data:

1. Provide beneficiary report data with application submission or
2. Provide beneficiary report data within 30 days of each disbursement linked to the approved application.

Reporting Documentation Requirements

- After each disbursement, an email will be forwarded to member requesting the required eligibility data to correspond with the funds disbursed.
- Documentation must be consistent with the eligibility parameters of the approved application.
- Reporting data must be submitted through the FHLB's online submission system.
- Submission of multiple loans must be submitted using the Excel spreadsheet provided as part of the report submission process.

CDA Programs Reporting


Key Reporting Points

- Data provided after disbursement must be loans originated no more than 90 days prior to the date CDA Extra/CDA funds were disbursed and up to the date of report submission.
- Loans submitted with a closing date that is “**after**” the report submission date will **not** be considered for reporting eligibility.
- Total dollar amount of loans submitted must be equal to or greater than the total amount of CDA Extra/CDA funds disbursed.

Note: Report data is subject to final approval by FHLB staff. Any member with outstanding an CDA Extra or CDA report will be subject to compliance review prior to submitting any subsequent applications.

Residential Eligibility – CDA Extra Only

Using HUD: <http://www.huduser.org/portal/datasets/il.html>



FY 2017 INCOME LIMITS DOCUMENTATION SYSTEM

HUD.gov [HUD User Home](#) [Data Sets](#) [Fair Market Rents](#) [Section 8 Income Limits](#) [MTSP Income Limits](#) [HUD LIHTC Database](#)

FY 2017 Income Limits Summary

FY 2017 Income Limit Area	Median Income Explanation	FY 2017 Income Limit Category Explanation	Persons in Family							
			1	2	3	4	5	6	7	8
Boston city	\$103,400	Very Low (50%) Income Limits (\$) Explanation	36,200	41,400	46,550	51,700	55,850	60,000	64,150	68,250
		Extremely Low Income Limits (\$)* Explanation	21,700	24,800	27,900	31,000	33,500	36,000	38,450	41,320
		Low (80%) Income Limits (\$) Explanation	54,750	62,550	70,350	78,150	84,450	90,700	96,950	103,200

Annual Income: $\$103,400 \times 115\% \text{ AMI} = \$118,910$

Maximum Rent: $\$103,400/12 \times 30\% = \$2,585^*$


*Max rent based on sample annual income.

Economic Development/Mixed Use – Location Eligibility

Using www.FFIEC.gov

- Select “Geocoding/Mapping System”
- Enter Target Address
- Review “Median Family Income %”
- **CDA Extra** = at or below 80%
- **CDA** = at or below 115% AMI for rural or 100% AMI for urban

▼ Census Demographic Data

 Address: 1010 MASSACHUSETTS AVE, BOSTON, MA, 02118
MSA-State-County-Tract: 14454-25-025-0801.00

Census Income Population Housing

Tract Income Level	Low
Underserved or Distressed Tract	No
2017 FFIEC Estimated MSA/MD/non-MSA/MD Median Family Income	\$94,300
2017 Estimated Tract Median Family Income	\$31,600
2010 Tract Median Family Income	\$30,400
Tract Median Family Income %	33.51
Tract Population	2814
Tract Minority %	81.73
Tract Minority Population	2300
Owner-Occupied Units	194
1- to 4- Family Units	625

Economic Development/Mixed Use - Beneficiary Eligibility

Using www.FFIEC.gov


- Select “Geocoding/Mapping System”
- Enter Target Address
- Review “Median Family Income”
- **CDA Extra** = annual income must be at or below 80% of AMI
- **CDA** = annual income must be at or below 115% /rural or 100% AMI/urban of AMI

$\$31,600 \times 80\% \text{ AMI} = \$25,280$

$\$31,600 \times 100\% \text{ AMI} = \$31,600$

$\$69,996 \times 115\% \text{ AMI} = \$36,340$

▼ Census Demographic Data

 Address: 1010 MASSACHUSETTS AVE, BOSTON, MA, 02118
MSA-State-County-Tract: 14454-25-025-0801.00

Census Income Population Housing

Tract Income Level	Low
Underserved or Distressed Tract	No
2017 FFIEC Estimated MSA/MD/non-MSA/MD Median Family Income	\$94,300
2017 Estimated Tract Median Family Income	\$31,600
2010 Tract Median Family Income	\$30,400
Tract Median Family Income %	33.51
Tract Population	2814
Tract Minority %	81.73
Tract Minority Population	2300
Owner-Occupied Units	194
1- to 4- Family Units	625

Community Lending Programs

Community Development Advances (CDA)

Discounted advances to members to fund affordable housing, economic development and mixed-use initiatives

Affordable Housing Program (AHP)

Grant program provides gap funding through member institutions for affordable housing projects

Equity Builder Program (EBP)

Provides assistance for households with incomes at or below 80% area median income

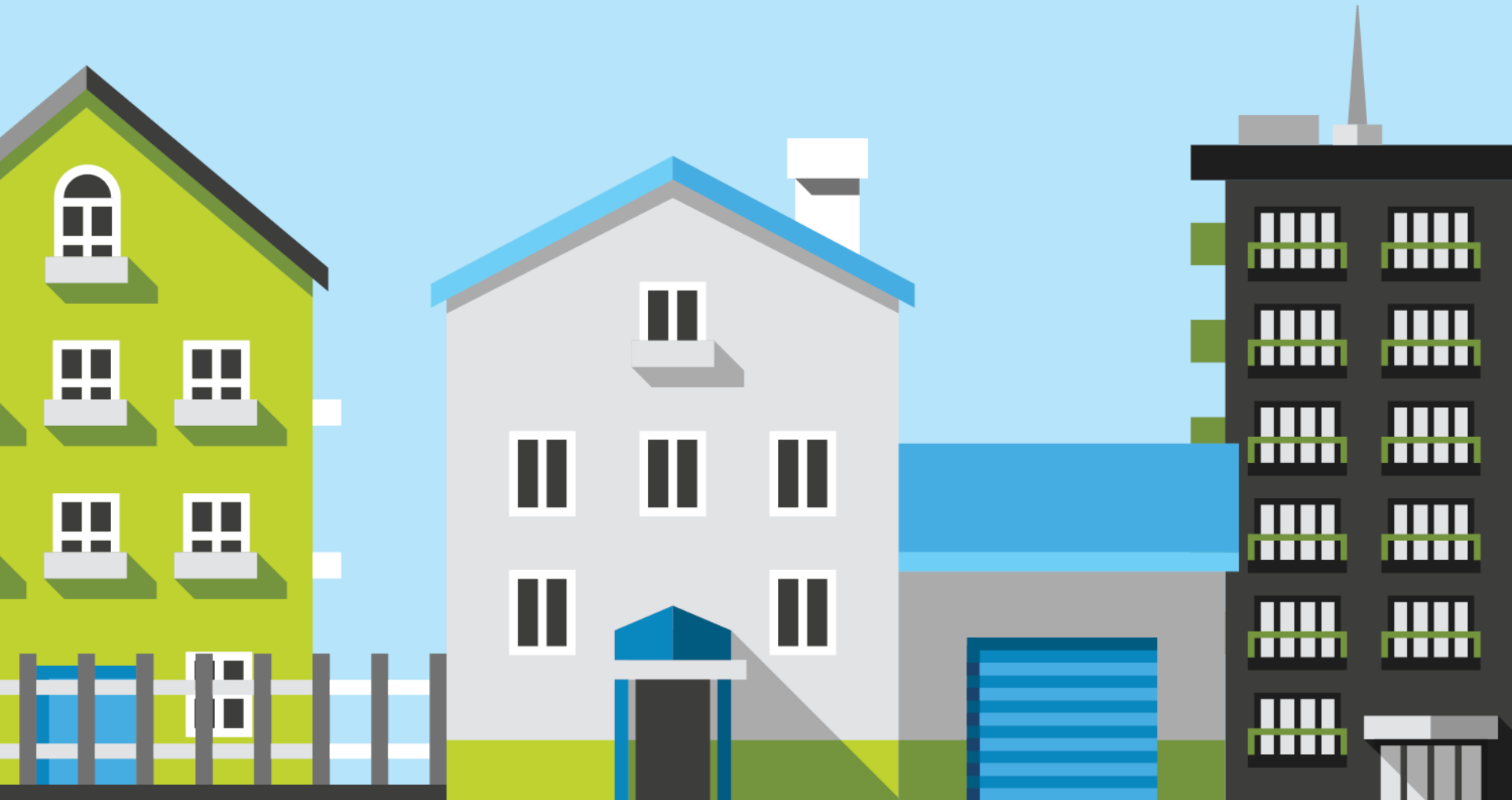
Jobs for New England (JNE)

Zero-percent advances for job creation and preservation and overall economic development

New England Fund (NEF)

Discounted advance to members to fund a broader income range of housing and economic development initiatives

Resources



Where to Get More Information

CDA – Overview

<http://www.fhlbboston.com/communitydevelopment/cda/index.jsp>

- CDA Fact Sheet
- CDA Extra Fact Sheet

CDA Forms & Applications

http://www.fhlbboston.com/communitydevelopment/cda/03_01_07_forms.jsp

- CDA Technical Assistance Training
- CDA Application Manual

HUD Income Guidelines

<http://www.huduser.org/portal/datasets/il.html>

Income Eligibility (FFIEC)

<http://www.ffiec.gov/>

Rural Eligibility

<http://eligibility.sc.egov.usda.gov/eligibility/welcomeAction.do?NavKey=home@1>

Empowerment/Enterprise Communities

<http://www.hud.gov/offices/cpd/economicdevelopment/programs/rc/index.cfm>

Where to Get More Information

Housing & Community Investment

Paulette Vass, Community Development Advance Manager 617-292-9792

Additional Contacts

Ken Willis, FVP/Director 617-292-9631

Mary Ellen Jutras, VP/Deputy Director 617-292-9607

Theo Noell, Manager of Programs & Outreach 617-292-9668

Kaitlyn Mulhern, Equity Builder Program Manager 617-292-9606

Kathleen Amonte, HCI Compliance Analyst 617-425-9413

Michelle Chisholm, HCI Analyst 617-425-9606

Community Investment Managers

Fatima Razzaq (CT & RI) 617-425-9564

Tobi Goldberg (ME & Eastern MA) 617-292-9653

Kathy Naczas (NH; VT; Central & Western MA & Outside New England) 617-292-9646

www.fhlbboston.com

1-800-424-3863 [option 1]

Where to Get More Information

Sales & Business Development

Ana Dyer, Director/Sales & Business Development 617-292-9762

Steve McHugh, Vice President 617-292-9616

Matt Stewart, Vice President 617-425-9528

Maria Nichols, Vice President 617-292-9723

Stephen Costa, Relationship Manager 617-425-9573

Rich Moran, Financial Strategist 617-425-9452

Money Desk 800-357-3452

www.fhlbboston.com 1-888-424-3863 [option 2]

Community Development Advance Questions?

