

**BREVARD COUNTY
HOUSING FINANCE AUTHORITY**

4420 South Washington Avenue
Titusville, Florida 32780
(321) 264 - 0334 Phone
(321) 269 - 6840 Fax

MEMORANDUM

TO: Members of the Brevard County Housing Finance Authority

FROM: Angela A. Abbott, Esquire

DATE: February 2, 2017

RE: Federal Home Loan Bank DPA Program

The Authority has previously approved a Memorandum of Understanding with the Federal Home Loan Bank of Atlanta (“FHLB”) concerning the use of their Affordable Housing Program (“AHP”) funds for down payment assistance in conjunction with local TBA/MCC programs. The terms of the FHLB DPA program are:

- FHLB provides \$1 of AHP funds for every \$2 of HFA funds (Under the current program, the HFA would provide \$10,000 and FHLB would provide \$5,000.)
- The AHP loan would be secured by a third mortgage subordinate to the HFA second mortgage.
- The FHLB mortgage is forgiven 20% each year and is fully forgiven at the end of the 5th year.
- The program would be limited to borrowers with incomes less than 80% of Area Median Income.
- The AHP loan would require a lender that participates in an HFA program to also be a member of the Federal Home Loan Bank of Atlanta. Currently, the Authority’s program does not have a lender which is a member of FHLB.
- There is no cost to the HFA to participate in the FHLB DPA program.
- A total of \$1 million will be available to local issuers in Florida on a first come, first served basis

The program was scheduled to end on December 31, 2016, but has been extended through December 31, 2017. The attached First Amendment to the MOU was submitted on behalf of the Authority in January, 2017, at the request of FHLB. The Authority needs to ratify the execution and submission of the First Amendment to the MOU.