

2010 EQUITY BUILDER PROGRAM FUNDING ROUND

March 3, 2010

TO: All Members and Housing Organizations

The Federal Home Loan Bank of Boston (the Bank) is pleased to announce a total of \$5.0 million to fund the 2010 Affordable Housing Program (AHP), which includes a \$1.0 million subsidy for the Equity Builder Program (EBP). EBP funds will be available to members through the online application and enrollment pool. Separately chartered members may apply for an enrollment cap up to \$100,000. Members may make enrollment requests of up to \$10,000 per household from the pool of funds to assist income-eligible households on a first-come, first-served, home buyer-by-home buyer basis. Funds will remain available until they are fully reserved, approved, and disbursed.

Please note that the online EBP application will be available on Monday, March 29 and is due on Friday, April 16 at 5:00 p.m. Members will be notified of their enrollment caps by Friday, April 30, 2010. The Bank will host the following training webinars regarding the EBP application and enrollment processes:

Online Application Webinars

Tuesday, March 23

Wednesday, March 31

Next Steps Webinars: Enrolling Home Buyers

Tuesday, May 4

Thursday, May 13

Once you have received notification of your enrollment cap, we strongly encourage your participation in a Next Steps webinar that will guide you through the process for submitting home buyers for enrollment in the program. You may register online for all of the webinars at www.fhlbboston.com/events.

For more information on the EBP, including the online application (available on March 29), program guidelines, parameters, documentation of program changes, and the revised 2010 AHP Implementation Plan, please visit:

www.fhlbboston.com/communitydevelopment/formsandapplications/03_04_05_ebp_forms.jsp.

Affordable Housing Program: 20 Years and Counting

The Bank has been funding affordable housing through the AHP since 1990. As part of the AHP, the EBP has awarded more than \$12.9 million in EBP funds assisting 1,212 households earning no more than 80 percent of the area median income to purchase a home. The current EBP funding round should assist a minimum of 100 new home buyers.

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The Bank will be offering an AHP round this fall with a funding allocation of \$4.0 million. New this year, sponsor developers will be required to register in advance of the round. Watch for more information in the next few months. If you have any questions or need technical assistance, please contact the Housing and Community Investment Department staff at 1-888-424-3863.

Sincerely,



Kenneth A. Willis
Vice President/Director
Housing and Community Investment

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March 3, 2010

NOTICE OF CHANGES

As you prepare to submit your application, please note the Federal Home Loan Bank of Boston (the Bank) has made the following changes to the Equity Builder Program (EBP) application, enrollment, and disbursement processes for 2010.

Program Funding Allocation and Enrollment Cap

The Bank is allocating \$1.0 million with a maximum enrollment cap of \$100,000 per member, with no guarantee of funds.

- Members may provide homeownership set-aside funds as a grant in an amount up to a maximum of \$10,000 per eligible household.
- Funds will be available on a first-come, first-served, home buyer-by-home buyer basis.
- Funds will be reserved upon online submission of the home buyer pending the Bank's approval of the enrollment.
- The first one-third of each member's enrollments shall be used to assist first-time home buyers.
- EBP funds can be used to assist home buyers earning no more than 80 percent of the area median income to purchase homes, including foreclosed homes.

Application Deadline

The Bank will accept online applications from members beginning Monday, March 29 through Friday, April 16, 2010, at 5:00 p.m. Members must submit applications through the "Housing & Economic Growth" section of the Bank's web site or <https://housing.fhlbboston.com/ebp>. All supporting documentation must be uploaded, or can be faxed using the Bank-provided cover sheet, no later than 5:00 p.m. on April 16, 2010.

An application will be deemed ineligible if it is incomplete, does not meet all of the program's eligibility requirements, or does not provide sufficient information to make a reasonable determination of eligibility with the program's general requirements.

Enrollments and Disbursements

In a continued effort to ensure that EBP funds are used in a responsible manner to assist eligible home buyers, the following changes have been incorporated:

Updated Member Certifications. The member certification at enrollment and disbursement has been expanded to more clearly state the member's regulatory obligation to qualify households based on both income eligibility and demonstration of a sufficient stream of income to afford the mortgage loan.

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