



2023 **REPORT**

TARGETED MISSION ACTIVITIES

of the Federal
Home Loan
Banks

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OVERVIEW OF FHFA AND FHLBANK TARGETED MISSION ACTIVITIES

The Federal Housing Finance Agency (FHFA) was established by the Housing and Economic Recovery Act of 2008 (HERA) and is responsible for the supervision, regulation, and housing mission oversight of the 11 Federal Home Loan Banks (FHLBanks), the Federal National Mortgage Association (Fannie Mae), and the Federal Home Loan Mortgage Corporation (Freddie Mac). As regulator of these entities, FHFA is responsible for ensuring that they operate in a safe and sound manner so that they serve as a reliable source of liquidity and funding for housing finance and community development.¹ As part of their public mission, the FHLBanks play an important role in supporting affordable housing and community development throughout the country.

Support of Low-Income Housing and Community Development through FHLBanks' Targeted Mission Activities

This report discusses the FHLBanks' targeted mission activities to support low-income housing and community development in 2023.^{2,3} The FHLBanks support a range of these activities through various programs: the statutorily mandated Affordable Housing Program (AHP), the statutorily mandated Community Investment Program (CIP), the voluntary Community Investment Cash Advance Program (CICA), and additional FHLBank voluntary programs.⁴ Under these programs, the FHLBanks provide loans (referred to as advances) and grants to their members or housing associates,⁵ as applicable, which use these funds to assist very low- and low- or moderate-income households and communities.⁶ Additionally, all FHLBanks support low-income housing and community development through voluntary programs that the FHLBanks offer at their discretion. Each year, the FHLBanks adopt Targeted Community Lending Plans (TCLPs), in which they identify and assess significant affordable housing needs in their

1 Since 2008, FHFA has also served as conservator of Fannie Mae and Freddie Mac.

2 The Federal Home Loan Bank Act requires FHFA to monitor and report annually to the Advisory Council for each FHLBank on the support of low-income housing and community development by the FHLBanks and the utilization of FHLBank advances for these purposes. 12 U.S.C. § 1430(j)(12).

3 This report used to be titled the "Low-Income Housing and Community Development Activities of the Federal Home Loan Banks." The title was changed to reflect its coverage of additional FHLBank targeted mission activities.

4 See 12 U.S.C. § 1430(i) and (j). The CICA regulation defines CICA programs to include AHP, CIP, and targeted economic development advance or grant programs established by an FHLBank. 12 C.F.R. § 1292.1. However, because the AHP and CIP are specifically required by statute, they are generally described separately from other programs under the CICA umbrella. This practice is followed in this report. The AHP is governed separately by FHFA's AHP regulation. 12 C.F.R. part 1291. Some FHLBanks also provide voluntary community development and housing subsidy programs that do not fall under this statutory and regulatory framework.

5 See 12 U.S.C. § 1430(j)(10); 12 C.F.R. part 1292. Housing associates are defined to include eligible state and local housing finance agencies. Housing associates are not FHLBank members, but FHLBanks may offer them advance products except CIP advances. See 12 U.S.C. § 1430b; 12 C.F.R. part 1264.

6 Low- or moderate-income households are defined as households with incomes of 80 percent or less of Area Median Income (AMI). Very low-income households are defined as households with incomes of 50 percent or less of AMI. 12 C.F.R. § 1291.1.

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districts to be addressed through their AHPs and describe how they will address identified credit needs and market opportunities in their districts for targeted community lending.⁷

The FHLBanks approved approximately \$446.9 million in total AHP funds in 2023, approximately 67 percent more than in 2022,⁸ targeted to assist over 33,000 low- or moderate-income households, including over 17,000 very low-income households. These AHP amounts (and AHP totals elsewhere in this report) include amounts that the FHLBanks voluntarily contributed in excess of their required statutory AHP contributions of approximately \$355.2 million. The statutory amount in 2023, which is based on net income in the previous year, was approximately 77 percent more than the required contribution in 2022. With significant earnings improvement at the FHLBanks in 2022 — following three consecutive years of lower earnings — the statutory and total AHP contributions in 2023 both grew for the first time since 2018. Through the CIP, the FHLBanks funded approximately \$4.4 billion in targeted housing and economic development advances in 2023, about 27 percent more than in 2022. The CIP assisted about 32,000 households in 2023, an increase of approximately 58 percent from 2022, driven by higher advance volumes at the Atlanta, Chicago, and Des Moines FHLBanks. The FHLBanks' CICA funding in 2023, which supports targeted economic development, was approximately \$2.6 billion, about 87 percent higher than in 2022, with substantial increases in advances at the Boston, Pittsburgh, and Des Moines FHLBanks.

The FHLBanks also support the financing of low-income housing and community development through other activities, including through advances to their non-depository Community Development Financial Institution (CDFI) members. At the end of 2023, 71 FHLBank members were non-depository CDFIs, one more than in 2022. The FHLBanks' outstanding advances to these non-depository CDFIs at the end of 2023 were \$336.2 million, an increase from \$272.4 million at the end of 2022.

Finally, the FHLBanks are subject to housing goals when they make mortgage purchases through an Acquired Member Assets (AMA) program.⁹ The housing goals include an annual mortgage purchase goal under which a specified percentage of an FHLBank's annual AMA

7 12 C.F.R. § 1290.6(a)(5)(ii).

8 The Federal Home Loan Bank Act requires that the AHP be funded annually by at least 10 percent of the net earnings of the FHLBanks in the previous year, subject to a minimum annual combined contribution by the 11 FHLBanks of \$100 million. 12 U.S.C. 1430(j)(5)(C). Because the FHLBanks' net earnings increased in 2022, the AHP statutory contributions in 2023 increased as well. The amount of funds awarded annually may include funding adjustments from prior years or funds accelerated from future years. In these circumstances, an FHLBank's amount of awarded funds may differ from the statutorily required contribution of funds.

9 The FHLBanks' AMA programs are governed by FHFA's AMA regulation. See 12 C.F.R. part 1268. AMA programs include the Mortgage Partnership Finance Program, the Mortgage Purchase Program, and the Mortgage Asset Program.

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mortgage purchases must be for some combination of very low-income families, low-income families, and families in low-income areas. They also include an annual community-based AMA user goal, under which a specified percentage of an FHLBank's annual AMA users must have assets at or below a threshold defined in FHFA's FHLBank housing goals regulation.¹⁰ That threshold, which is adjusted annually, was \$1.417 billion in 2023. Nine FHLBanks purchased AMA mortgages in 2023 and six met the mortgage purchase goal while all nine met the community-based AMA user goal for 2023.¹¹ The FHLBank housing goal regulation established a gradual implementation of the regulation's housing goals structure, with full implementation beginning in 2024.¹² Consistent with the regulation, FHFA did not impose a housing plan on any FHLBank based on its performance in 2021, 2022, or 2023. When issuing a final determination of housing goals performance for 2023, FHFA advised the FHLBanks that in future years, the Director may require an FHLBank to submit a housing plan if that FHLBank failed to meet any housing goal considered achievable.

¹⁰ 12 C.F.R. part 1281.

¹¹ The housing goals regulation provides that FHFA will not impose housing plans on FHLBanks that do not meet housing goals in the first three years of the implementation of the regulation, and this includes 2023.

¹² 12 C.F.R. § 1281.15(a).

THE AFFORDABLE HOUSING PROGRAM

The Federal Home Loan Bank Act (Bank Act) requires each FHLBank to establish an AHP.¹³ Under the program, members may apply to the FHLBank for AHP funds, which are provided to approved projects and households for the purchase, construction, or rehabilitation of owner-occupied and affordable rental housing. AHP funds may be in the form of grants or reduced interest rates on advances (subsidized advances) from an FHLBank to the member. A family's household income must be at or below 80 percent of Area Median Income (AMI) to be eligible for funding through AHP's owner-occupied housing programs. For AHP-assisted rental housing to be eligible for funding, at least 20 percent of the project's units must be affordable for and occupied by households with incomes at or below 50 percent of AMI.¹⁴

The AHP has three funding programs.¹⁵ The General Fund is the primary funding program and is administered through a mandatory competitive application process to provide grants or subsidized advances. The bulk of the AHP funding through this program takes the form of grants. Applications for project funding are approved if they meet the AHP eligibility requirements and score successfully under each FHLBank's individual scoring system established pursuant to the general scoring framework in the AHP regulation. A second funding program is a discretionary homeownership set-aside program under which the FHLBanks provide grants to their members, which in turn pass on the money to eligible households for down payment, closing costs, counseling, or rehabilitation assistance for their primary residence.¹⁶ Generally, access to set-aside program funds is on a first-come, first-served basis for FHLBank members and eligible households.¹⁷ A third funding program is a discretionary competitive application program referred to as a Targeted Fund, through which FHLBanks may provide grants or subsidized advances for projects targeting specific affordable housing needs in their districts.¹⁸

13 12 U.S.C. § 1430(j).

14 12 C.F.R. § 1291.23(a)(2). The Bank Act defines "affordable for very low-income households" to mean that rents charged to tenants for units made available for occupancy by low-income families shall not exceed 30 percent of the adjusted income of a family whose income equals 50 percent of the income for the area (as determined by the Secretary of Housing and Urban Development) with adjustment for family size. 12 U.S.C. § 1430(j)(13)(D). See also 12 C.F.R. § 1291.1 (definition of "affordable").

15 See 12 C.F.R. part 1291.

16 An FHLBank's annual set-aside program funding allocation may not exceed the greater of \$4.5 million or 35 percent of the FHLBank's annual required AHP statutory contribution. 12 C.F.R. § 1291.12(b).

17 The AHP regulation requires the FHLBanks to establish allocation criteria for the disbursement of AHP set-aside funds to members and establishes a maximum AHP subsidy limit per household. FHLBanks generally limit the amount of set-aside funds that each member may receive, and adopt subsidy limits per household, pursuant to these regulatory requirements. See 12 C.F.R. § 1291.42(a), (c).

18 12 C.F.R. § 1291.20(b).

FHFA's Strategic Plan and FHLBank Targeted Mission Activities

FHLBank targeted mission activities are addressed in FHFA's Strategic Plan for fiscal years 2022-2026.¹⁹ The Strategic Plan includes a strategic goal of fostering housing finance markets that promote equitable access to affordable and sustainable housing. One objective in pursuit of this goal is the promotion of sustainable access to mortgage credit. That objective can be achieved by ensuring that the FHLBanks serve each state in their districts under the AHP, and that the FHLBanks' TCLPs identify and seek to fulfill the needs of communities throughout their districts, including tribal communities.

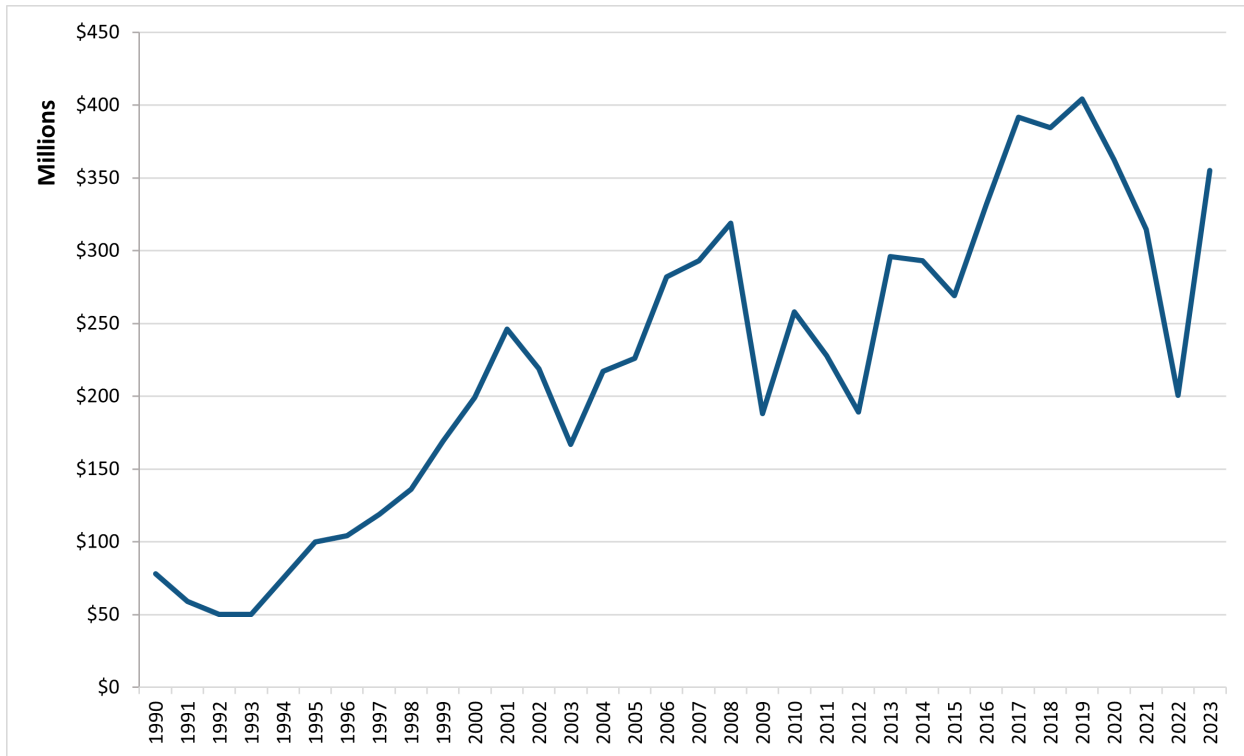
FHFA expects each FHLBank to award AHP funds to projects in each state in its district and incorporate this criteria in its General Fund scoring criteria while considering the diversity of housing needs within its district. FHFA has similarly conveyed to the FHLBanks that they should distribute AHP homeownership set-aside program funds to income-eligible households throughout their districts, and they should conduct outreach and provide technical assistance to encourage members in each state of their districts to participate in their set-aside programs.

FHLBank AHP Funding Contributions and Allocations: Each FHLBank's annual AHP statutory funding contribution must equal at least 10 percent of its net earnings for the prior year (subject to a \$100 million minimum combined contribution by the FHLBanks).²⁰ Consequently, an FHLBank's statutory contribution to its AHP changes each year as its annual earnings change. From 1990 to 2023, the FHLBanks contributed approximately \$7.6 billion to the AHP (see Figure 1).

19 See https://www.fhfa.gov/AboutUs/Reports/ReportDocuments/FHFA_StrategicPlan_2022-2026.pdf.

20 See 12 U.S.C. § 1430(j)(5)(C).

Figure 1: FHLBanks’ AHP Statutory Funding Contributions (1990 – 2023)



Source: FHFA²¹

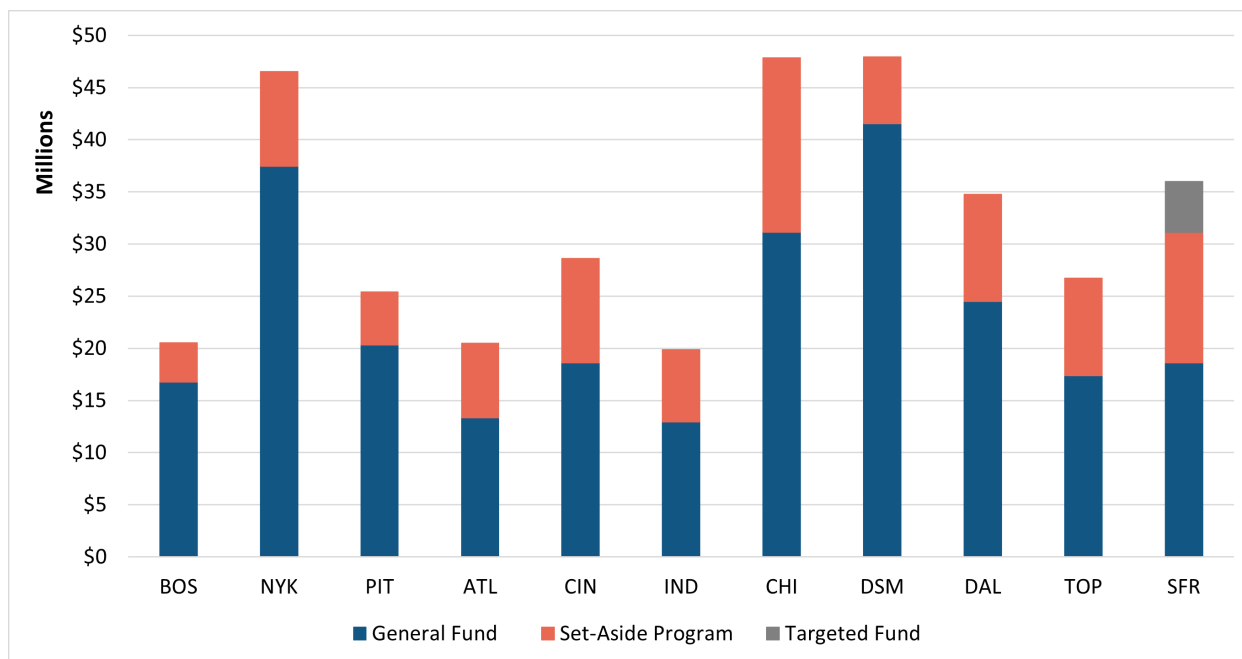
In 2023, the AHP statutory contributions for individual FHLBanks ranged from approximately \$20 million by the Indianapolis FHLBank to approximately \$48 million by both the Chicago and Des Moines FHLBanks.

Each FHLBank allocates its AHP statutory funding contributions between a mandatory General Fund, a discretionary homeownership set-aside program (if established by the FHLBank), and a discretionary Targeted Fund (if established by the FHLBank). All the FHLBanks offered homeownership set-aside programs in 2023. One FHLBank offered a Targeted Fund in 2023.

Figure 2 details the FHLBanks’ General Fund, Targeted Fund, and homeownership set-aside program funding allocations in 2023.

²¹ Unless otherwise noted, data contained in all charts and tables in this report were submitted by the FHLBanks and validated by FHFA. Dollars have been rounded. General Fund and Targeted Fund data include only approved, active projects; thus, the data do not include approved but withdrawn projects.

Figure 2: 2023 FHLBank AHP Statutory Funding Allocations



FHLBank Awarded Funds: In 2023, the FHLBanks awarded a total of approximately \$446.9 million through the AHP, with approximately \$319 million for General Funds, \$124 million for set-aside programs, and \$3.9 million for the Targeted Fund.²² This funding is targeted to support 33,093 housing units – 20,301 units in the General Funds, 12,571 units in the set-aside programs, and 221 units in the Targeted Fund.²³

AHP General Fund

The AHP General Fund supports very low-income and low- or moderate-income households and rental and owner-occupied housing projects in rural and non-rural (i.e., urban or suburban) areas. The FHLBanks award funds to projects based on an evaluation of project applications. Each FHLBank’s evaluation uses a 100-point scoring system tailored to address the affordable housing needs in the district and other objectives of that FHLBank, subject to certain statutory priorities and regulatory scoring criteria set forth in the AHP regulation. Under the regulatory requirements, an FHLBank is required to allocate a prescribed minimum number of points for scoring categories specified in the AHP regulation. The FHLBank may allocate the remainder

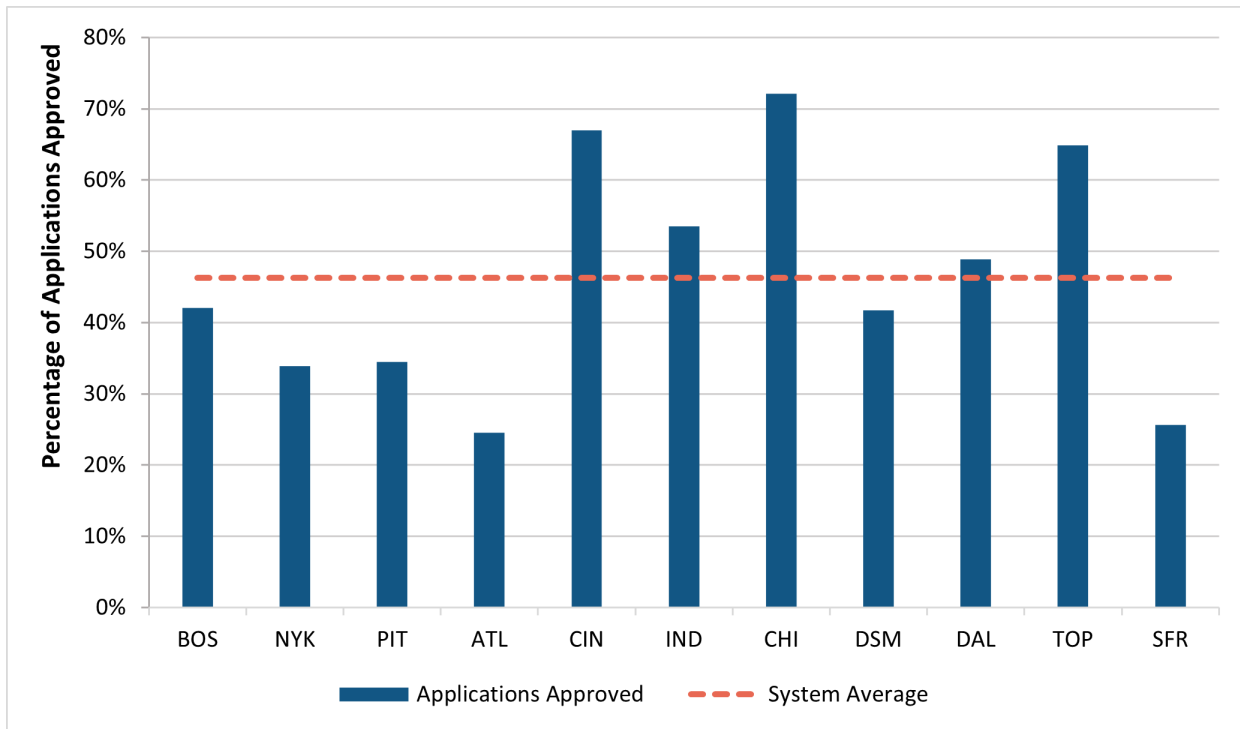
²² As previously stated, these AHP amounts (and AHP totals elsewhere in this report) include amounts that the FHLBanks voluntarily contributed in excess of their required statutory AHP contributions.

²³ The amount of funds awarded annually may include awards returned from prior years or funds accelerated from future years, as well as voluntary AHP contributions. In these circumstances, an FHLBank’s amount of awarded funds may differ from the statutorily required contribution of funds.

of the points, using its discretion, among the scoring criteria, with the total points equaling 100. The FHLBanks are also required to assess the projects’ satisfaction of specific regulatory eligibility criteria, including their developmental feasibility and, for rental projects, their operational feasibility.

Since the inception of the AHP in 1990, the demand for AHP funds has exceeded the amount of funds available each year. With the AHP funds available in 2023, the FHLBanks approved, on average, about 46 percent of applications received (see Figure 3), equaling the 2022 approval percentage.

Figure 3: 2023 AHP General Fund Applications Approved



Source: FHFA’s Call Report System

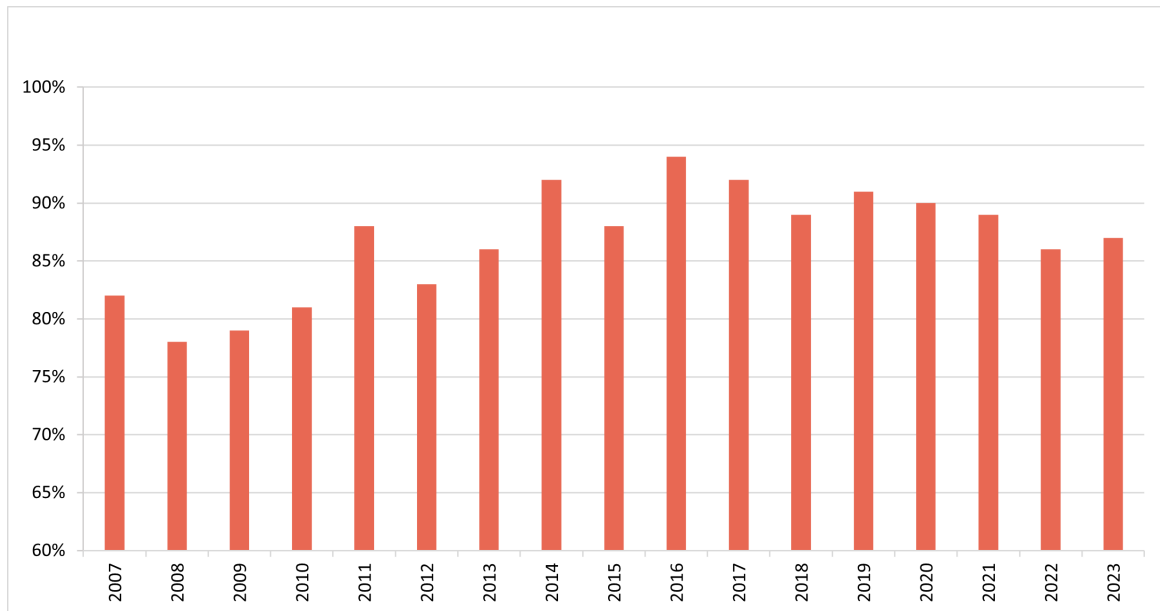
Funds Awarded: The General Fund is larger than the homeownership set-aside program, both in terms of the number of units supported and the amount of funding provided. In 2023, the FHLBanks approved General Fund awards to 443 projects, ranging from approximately \$50,000 to \$1.5 million per rental project, and from approximately \$20,000 to \$1 million per owner-occupied project. Across the FHLBank System, the average AHP subsidy per unit for rental projects in 2023 was about \$15,100 (up from about \$11,600 in 2022), and the average AHP subsidy per unit for owner-occupied projects in 2023 was about \$19,500 (up from about

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\$16,700 in 2022).²⁴ Since the inception of the General Fund in 1990 (referred to as the Competitive Application Program prior to 2018), the FHLBanks have awarded approximately \$6.3 billion in funding to over 19,800 projects supporting over 803,000 units. Over that period, about 76 percent of these units were in urban or suburban areas, and 24 percent were in rural areas.²⁵

The percentage of total units funded by the General Fund that are rental units has varied each year, from a low of 78 percent in 2008 to a high of 94 percent in 2016. In 2023, rental units constituted about 87 percent of total units under the General Fund, up slightly from 86 percent in 2022 (see Figure 4).

Figure 4: AHP General Fund Percentage of Rental Units (2007 – 2023)



24 Subsidy per unit is calculated as total subsidy awards divided by total units.

25 FHFA receives data from the FHLBanks that reflect whether an AHP-assisted project received points for the financing of housing in a rural area. This is an optional scoring category and, therefore, some FHLBanks may not have adopted it. Because some projects may be in rural areas but not be scored on this feature, data reflected in this report may understate the percentage of General Fund projects or units located in rural areas. In addition, an AHP project is “urban or suburban” for purposes of this report if it did not receive points as a rural project.



Central Village Condominiums

*Central Village Condominiums, a new construction 32-unit, four-story project located in Park City, Utah, received AHP subsidy. The project includes units targeted to households with incomes at or below 60 percent of AMI, as well as reserved units for special needs populations, including senior and disabled residents.
(Source: Des Moines FHLBank)*

Households Served: By statute, at least 20 percent of an AHP rental project’s units must serve very low-income households, and all AHP-assisted, owner-occupied units must serve low- or moderate-income households.²⁶ In 2023, 71 percent of total AHP-assisted rental units and approximately 52 percent of total AHP-assisted, owner-occupied units were targeted to households with incomes at or below 50 percent of AMI (see Figure 5). In 2022, these figures were 71 percent and 51 percent, respectively.

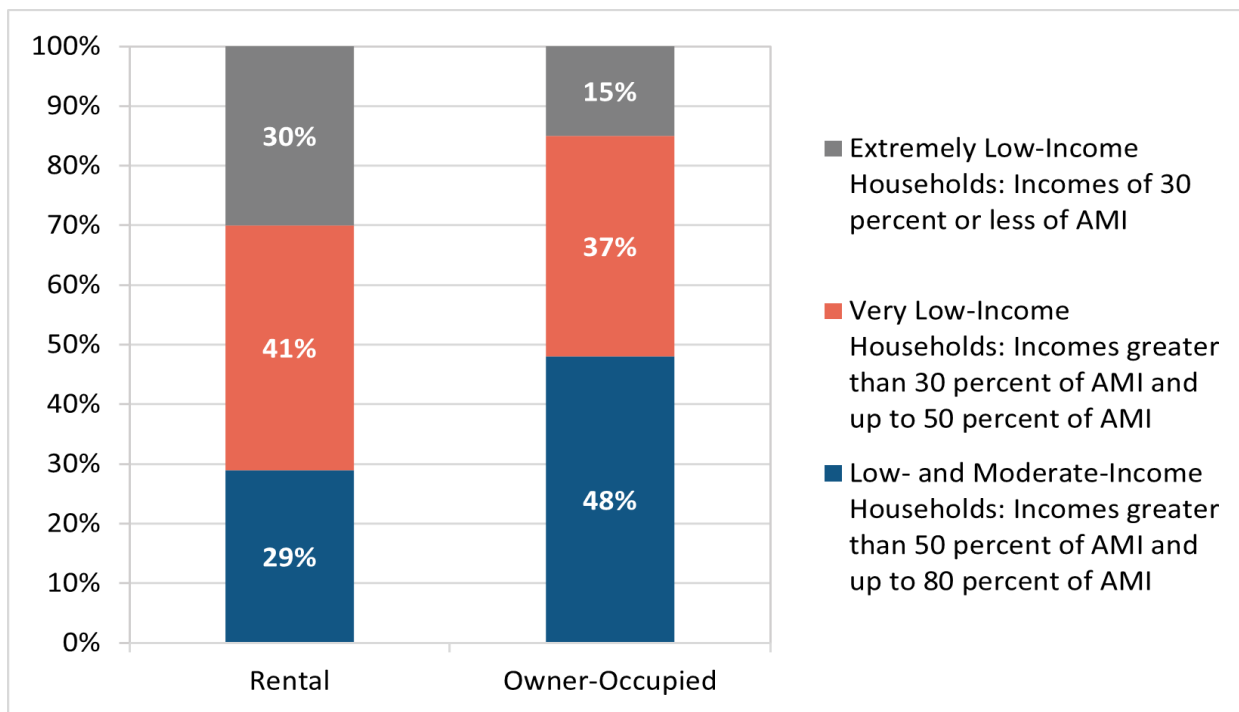
In 2023, the percentage of General Fund units serving extremely low-income households (households with incomes of 30 percent or less of AMI) increased for both owner-occupied units and rental units compared to 2022. Specifically, 30 percent of General Fund rental units

²⁶ Generally, the scoring criteria in the AHP regulation provide additional scoring points to projects that provide more units for lower income households.

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were targeted to these households in 2023, up from 29 percent in 2022, while approximately 15 percent of General Fund owner-occupied units were targeted to these households in 2023, up from 5 percent in 2022.

Figure 5: 2023 Household Income Distribution Under the General Fund



Since the General Fund's inception in 1990, approximately 71 percent of units under the program (totaling 568,096 units) have been targeted to very low-income households.

Urban/Rural Demographics: In 2023, projects in urban or suburban areas represented approximately 83 percent of total projects and 88 percent of total units under the General Fund (see Figure 6). Projects in rural areas represented approximately 17 percent of total projects and 12 percent of total units. Projects in urban or suburban areas averaged 48 units per project, the same as in 2022, while rural-based projects averaged 33 units, down from 44 units in 2022. The average subsidy per unit for projects in rural areas was \$19,740, up from \$12,800 in 2022, and the average subsidy per unit for projects in urban or suburban areas was \$15,155, up from \$12,256 in 2022. In 2023, approximately 88 percent of the units for very low-income

households were in urban or suburban projects — increasing slightly from 84 percent in 2022²⁷ — while approximately 12 percent were in projects in rural areas, decreasing slightly from 16 percent in 2022.

Figure 6: 2023 General Fund Urban/Suburban and Rural Projects

	Urban or Suburban Projects		Rural Projects		Total Projects
Total Number of Awarded Projects	368	83%	75	17%	443
Funds Awarded (in \$ million)	\$270.2	85%	\$48.90	15%	\$319
Housing Units	17,827	88%	2,474	12%	20,301
Number of Housing Units Serving Very Low-Income Households	12,011	88%	1,609	12%	13,620
Average Number of Units per Project	48		33		46
Average AHP Subsidy per Unit	\$15,155		\$19,740		\$15,714



The Commons

The Commons, a 50-unit supportive rental housing community in Colorado Springs, Colorado, received AHP subsidy. The community provides services like case management, support groups, life skills training, and personal financial counseling to help its residents who are experiencing homelessness. (Source: Topeka FHLBank)

²⁷ As stated previously, projects that receive scoring points for rural housing are counted as rural projects for purposes of this report. However, the FHLBanks are not required to include rural housing as a scoring priority. Therefore, this may not capture all AHP General Fund rural projects. Some projects may be in rural areas but are not scored on that feature by some FHLBanks. In addition, an AHP project is regarded for purposes of this report as “urban or suburban” if it did not receive points as a rural project.

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Development Costs of Units Receiving General Fund Subsidies: AHP funds play an important role in the development of affordable housing by providing a subsidy to “fill the gap” in project development budgets. Figure 7 shows total FHLBank General Fund subsidies as a percent of total development costs for 2022 and 2023. Over this period, the subsidy/development cost ratio decreased at five FHLBanks and increased at six FHLBanks. The average development cost per unit for General Fund projects varies across the FHLBanks based on several factors, including local housing costs and the availability of funding sources other than AHP funds.

**Figure 7: FHLBank AHP General Fund Average Subsidy and Development Costs
(2022 and 2023)**

FHLBank	Average Subsidy Per Unit		Average Development Cost Per Unit		Subsidy/Development Cost Ratio	
	2022	2023	2022	2023	2022	2023
Boston	\$14,932	\$20,912	\$394,875	\$464,263	3.8%	4.5%
New York	\$14,557	\$15,514	\$214,557	\$476,659	6.8%	3.3%
Pittsburgh	\$47,165	\$41,814	\$279,360	\$271,522	16.9%	15.4%
Atlanta	\$10,012	\$17,642	\$211,135	\$415,564	4.7%	4.2%
Cincinnati	\$7,802	\$14,241	\$123,222	\$177,447	6.3%	8.0%
Indianapolis	\$8,944	\$12,350	\$226,987	\$219,762	3.9%	5.6%
Chicago	\$12,190	\$17,198	\$253,099	\$304,013	4.8%	5.7%
Des Moines	\$16,179	\$19,712	\$182,693	\$157,355	8.9%	12.5%
Dallas	\$8,385	\$10,618	\$215,399	\$228,557	3.9%	4.6%
Topeka	\$16,482	\$15,158	\$41,559	\$81,747	39.7%	18.5%
San Francisco	\$11,659	\$10,809	\$541,965	\$687,623	2.2%	1.6%

Note: Development costs are those costs proposed at the time of application for AHP subsidy.

Coordination with Other Affordable Housing Activities: The Bank Act requires that the AHP regulation coordinate AHP activities with other federal or federally subsidized affordable housing activities to the maximum extent possible.²⁸ In 2023, approximately 55 percent of AHP General Fund projects obtained funding from at least one other federal housing program (see Figure 8), down slightly from 60 percent in 2022.

²⁸ 12 U.S.C. § 1430(j)(9)(G).

Figure 8: AHP General Fund Projects Approved in 2023 Receiving Other Federal Funding

Federal Program	AHP-Assisted Projects with Federal Funding Sources	Percentage of Total AHP-Assisted Projects
Low-Income Housing Tax Credit (LIHTC) Program	189	43%
Home Investment Partnerships (HOME) Program	94	21%
Community Development Block Grant (CDBG) Program	31	7%
Federal Housing Administration (FHA) Programs	9	2%
Other Federal Housing Programs	62	14%

Note: Projects may use more than one federal funding source.



The Manse Apartments

The Manse Apartments, a 60-unit Low-Income Housing Tax Credit project with 52 units reserved for elderly households, received AHP subsidy. It is also a historical landmark as it was previously a hotel that was home to African Americans who visited Cincinnati during the Segregation Era, including former Supreme Court Justice Thurgood Marshall, as well as baseball player Jackie Robinson and former Cincinnati Reds player and Hall of Famer Frank Robinson. (Source: Cincinnati FHLBank)

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Persons Experiencing Homelessness, Special Needs Populations, and Housing for Other Targeted Populations:

An important contribution of the AHP General Fund is the number of projects approved that serve persons experiencing homelessness²⁹ and persons with special needs, including the elderly; individuals with disabilities; persons living with HIV-AIDS; persons recovering from substance, physical, or domestic abuse; formally incarcerated persons; and unaccompanied youth.³⁰ A project may reserve units for more than one special needs population. In 2023, 77 percent of General Fund projects approved (339 projects) were targeted for persons experiencing homelessness and/or persons with special needs, an increase from 70 percent in 2022. Figure 9a shows that 37 percent of General Fund projects approved in 2023 were targeted for persons with disabilities, 45 percent for persons experiencing homelessness, and 33 percent for elderly households.

The AHP regulation also includes a scoring criterion for housing for other targeted populations.³¹ Figure 9b outlines the General Fund projects approved in 2023 that were targeted for these other targeted populations.

Figure 9a: 2023 AHP General Fund Projects Serving Persons with Special Needs and/or Persons Experiencing Homelessness

Projects Serving Persons with Special Needs and/or Persons Experiencing Homelessness	2023 Projects Serving Persons with Special Needs and/or Persons Experiencing Homelessness	
	Percentage of Total Projects	Number of Total Projects
Projects with Units Reserved for Persons with Disabilities ^a	37%	166
Projects with Units Reserved for Elderly Households ^a	33%	146
Projects with Units Reserved for Persons Experiencing Homelessness ^a	45%	198
Projects with Units Reserved for More than One Special Need or Persons Experiencing Homelessness ^a	42%	186

^a Projects with 20 percent or more of total units reserved for occupancy by such households. Note: Projects may serve more than one special need.

²⁹ The AHP regulation includes a scoring criterion for housing for persons experiencing homelessness. See 12 C.F.R. § 1291.26(e)(1).

³⁰ The AHP regulation includes a scoring criterion for housing for special needs populations. See 12 C.F.R. § 1291.26(e)(2).

³¹ This scoring category is for the “financing of housing in which at least 20 percent of the units are reserved for households specifically in need of housing, such as agricultural workers, military veterans, Native Americans, households requiring large units, or kinship care households in which children are in the care of cohabitating relatives, such as grandparents, aunts or uncles, or cohabitating close family friends.” 12 C.F.R. § 1291.26(e)(3).

Figure 9b. 2023 AHP General Fund Projects Serving Other Targeted Populations

Projects Serving Other Targeted Populations	Percentage of 2023 Total Projects	Number of 2023 Total Projects
Projects with Units Reserved for Agricultural Workers	0.2%	1
Projects with Units Reserved for Military Veterans ^a	5%	24
Projects with Units Reserved for Native Americans ^a	2%	9
Projects with Reservations for Large Units ^{a,b}	12%	55

^a Projects with 20 percent or more of total units reserved for occupancy by such households.

^b Projects having units with three or more bedrooms available for occupancy.

Note: Projects may serve more than one targeted population.

AHP Targeted Fund

An FHLBank may establish a Targeted Fund, in its discretion, to address specific and unmet affordable housing needs within its district that are either difficult to address through the FHLBank’s AHP General Fund, or that align with objectives identified in its strategic plan.

Targeted Fund awards must be made through a competitive application scoring process.³²

The FHLBank of San Francisco offered a Nevada Targeted Fund in 2023 to increase the supply of affordable housing in the state of Nevada. Five project applications received awards totaling approximately \$3.9 million. This funding supported 221 rental units in Nevada.³³ Two of the five projects included reservations for large units (projects having units with three or more bedrooms available for occupancy). Additionally, two other projects included reservations of units for elderly households, and one project was sponsored by a Tribal entity.

All five projects received LIHTC funding, three received HOME program funds, and two obtained funding through other federal housing programs. Lastly, two projects were in rural areas, while three projects were in urban or suburban areas.

AHP Homeownership Set-Aside Program

The FHLBanks’ AHP homeownership set-aside programs have helped expand homeownership opportunities for very low- and low- and moderate-income households. FHLBank members apply to their FHLBanks for set-aside funds and then disburse the funds as grants to eligible

32 12 C.F.R. §§ 1291.1 (definition of “Targeted Fund”); 1291.20(b).

33 Six project applications were originally awarded a total of approximately \$4.9 million, but one project, which was awarded \$1 million, withdrew its application.

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households.³⁴

The AHP regulation establishes a maximum permissible set-aside grant amount per household, subject to an annual increase corresponding to FHFA's House Price Index (HPI). In 2023, the maximum permissible set-aside grant amount was \$29,172. The FHLBank of San Francisco set its maximum permissible amount at \$29,172, while the other FHLBanks set their maximum permissible amounts at lower limits.

Households may use the grants for down payment, closing costs, counseling, or rehabilitation assistance in connection with the purchase or rehabilitation of an owner-occupied primary residence.³⁵ Set-aside fund recipients must complete a homebuyer or homeowner counseling program if they are first-time homebuyers. The maximum share of AHP funding that an FHLBank may allocate to its set-aside program per year is the greater of \$4.5 million or 35 percent of its annual AHP statutory funding contribution requirement.³⁶ At least one-third of an FHLBank's aggregate annual set-aside program allocation must be used to assist first-time homebuyers or households for owner-occupied rehabilitation, or some combination of both.³⁷

An FHLBank may establish one or more AHP homeownership set-aside programs, each for its own targeted housing need. For example, some FHLBanks have established set-aside programs to assist with home rehabilitation for special needs households, households located in state or federally declared disaster areas, or households that are members of a federally recognized tribe or are Native Hawaiian.

FHLBank Set-Aside Program Funding Allocations: From 1995 through 2023, the FHLBanks' set-aside programs provided approximately \$1.7 billion in funding, supporting over 276,000 households. Approximately 84 percent (233,357) of the households assisted were first-time homebuyers. During this period, the average set-aside grant per household was \$6,249. In 2023, all the FHLBanks had set-aside programs, and total funding for these programs was approximately \$124 million, an increase from approximately \$79.2 million in 2022. The average set-aside grant in 2023 was \$9,865 per household, about \$2,200 more than in 2022. Set-aside program funds accounted for approximately 27 percent of total AHP funds allocated in 2023, a decrease from 32 percent in 2022.

34 See 12 C.F.R. §§ 1291.41, 1291.42.

35 The data that FHFA collects aggregate set-aside funds used for closing costs and down payments. The FHLBanks also separately submit data on home rehabilitation assistance.

36 12 CFR 1291.12(b).

37 *Id.*

Figure 10 shows individual FHLBank set-aside program funding allocations as a percentage of total AHP funding allocations in 2022 and 2023.³⁸

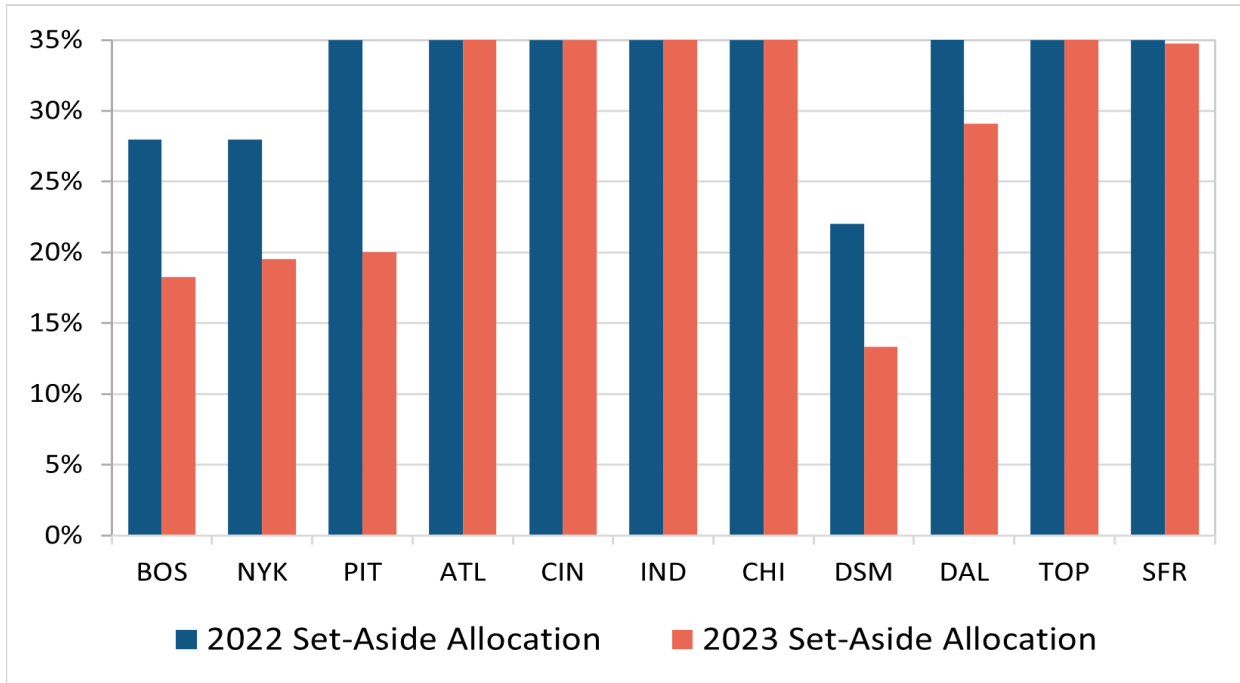


Ox Fibre Brush Factory Apartments

Ox Fibre Brush Factory Apartments in Frederick, Maryland, received AHP subsidy, and is an adaptive reuse project that transformed the historic Ox Fibre Brush Company building into loft-style apartments across two floors, with 51 units targeted for households earning 50 percent of AMI, 32 units targeted for households earning between 50 and 65 percent of AMI, and nine units reserved for veterans. (Source: Atlanta FHLBank)

³⁸ Because the FHLBanks may carry forward returned, uncommitted, or unused AHP funds from prior years, or accelerate AHP funds from future years, regulatory allocation totals may differ from actual disbursements.

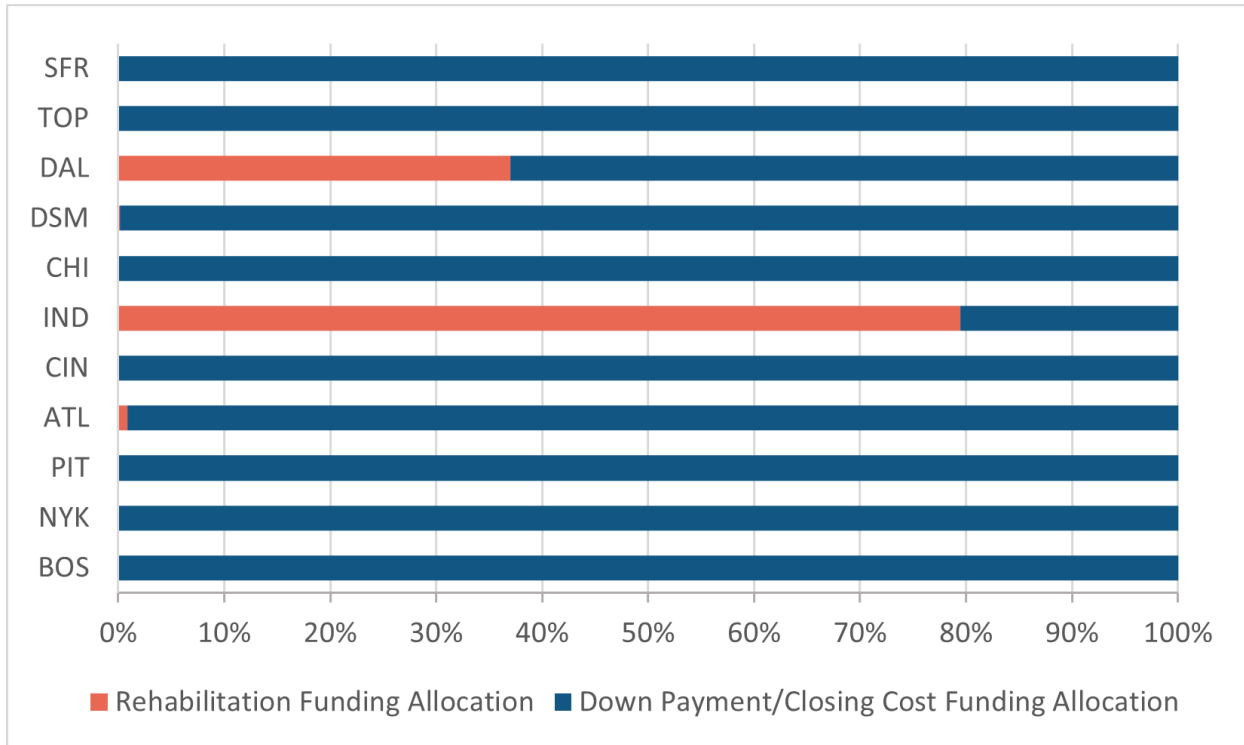
Figure 10: FHLBank Homeownership Set-Aside Program Funding Allocations as a Percent of Total AHP Funding Allocations (2022 and 2023)



Note: The maximum share of AHP funding an FHLBank may allocate to its set-aside program per year is the greater of \$4.5 million or 35 percent of its annual AHP statutory funding contribution requirement.

Use of Homeownership Set-Aside Funds: The FHLBanks have flexibility in their approved uses of set-aside funds. Historically, the FHLBanks have allocated the majority of set-aside funds to down payment or closing cost assistance. In 2023, the FHLBanks funded about \$114.6 million in down payment or closing costs, approximately 92 percent of total set-aside program funding, slightly down from 93 percent in 2022. In 2023, four FHLBanks (Atlanta, Indianapolis, Dallas, and Des Moines) allocated set-aside funds for rehabilitation (see Figure 11). Overall, rehabilitation funding in 2023 was approximately \$9.4 million, or 8 percent of total set-aside program funding, up from about 7 percent in 2022.

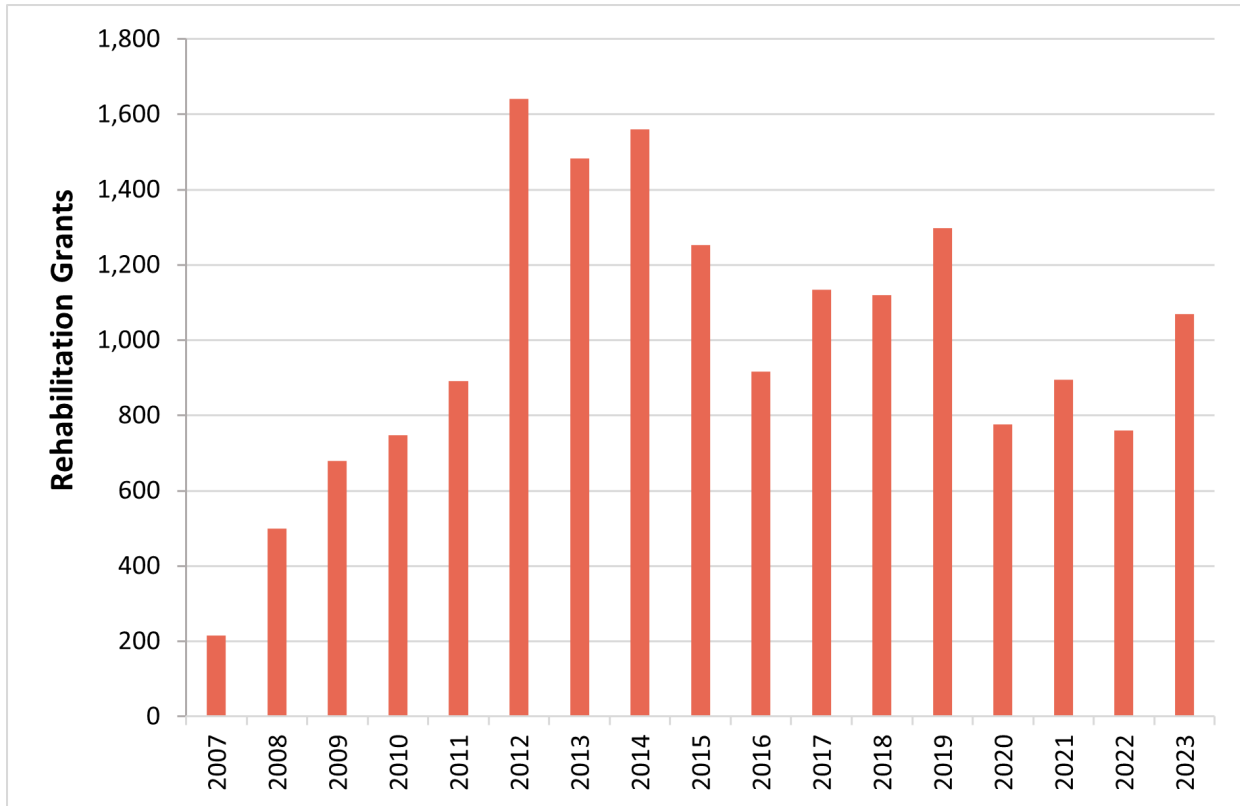
Figure 11: 2023 AHP Homeownership Set-Aside Program Funding Allocations



Note: FHLBank Des Moines allocated approximately 0.15% of set-aside funding to rehabilitation which may not appear visible on the figure.

The total number of set-aside rehabilitation assistance grants increased to 1,069 in 2023 from 760 in 2022 (see Figure 12).

Figure 12: Number of AHP Homeownership Set-Aside Grants Provided for Rehabilitation Assistance (2007 – 2023)





AHP set-aside program subsidy assisted homebuyers in Cartersville, Georgia

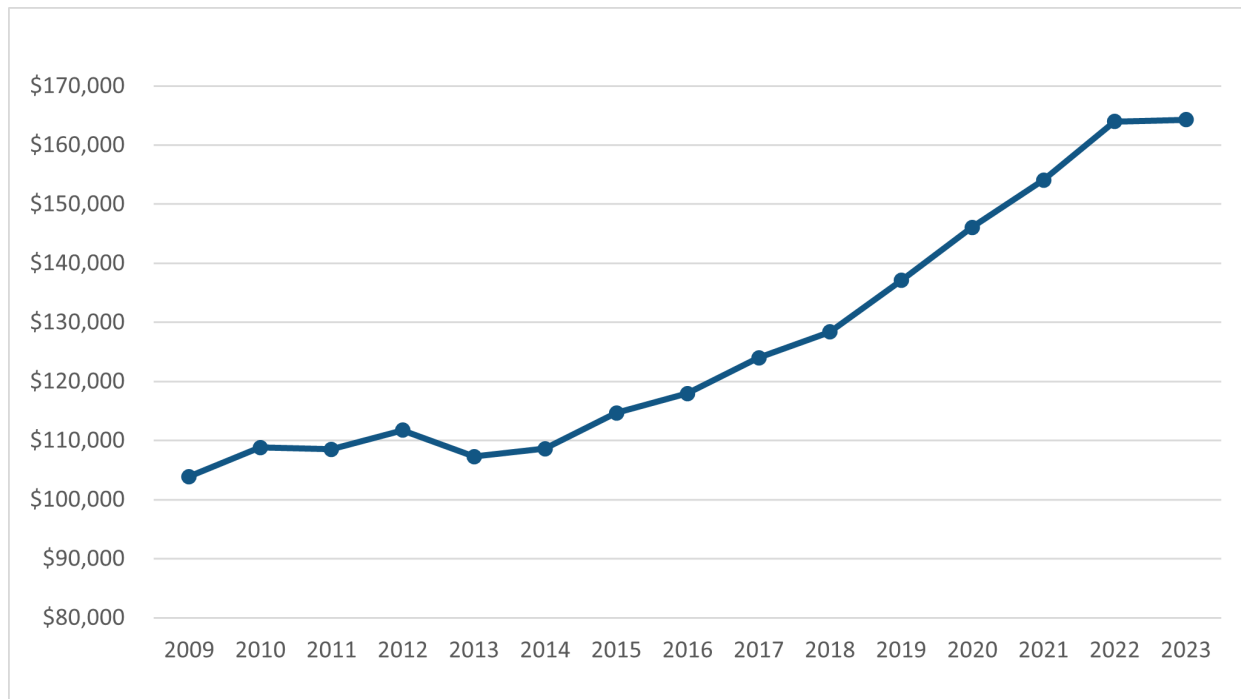
Households Assisted: Although the set-aside programs must target low- or moderate-income households (i.e., households with incomes up to 80 percent of AMI), in a substantial number of cases the FHLBanks provide AHP set-aside grants to households with incomes significantly below 80 percent of AMI. In 2023, the average income of households assisted by the set-aside programs, excluding for rehabilitation assistance, was about \$51,000 per year, or 61 percent of AMI. Data on the number of households assisted, average household incomes, and average house prices under the set-aside programs for each FHLBank in 2023 are shown in Figure 13a. The average house price for households assisted by the set-aside programs, excluding for rehabilitation assistance, was approximately \$164,000 in 2023, about the same price as in 2022 (see Figure 13b).

AFFORDABLE HOUSING PROGRAM

Figure 13a: 2023 Set-Aside Programs for Down Payment and Closing Cost Assistance: Number of Households Assisted, Average Household Incomes, and Average House Prices

FHLBank	Number of Households Assisted	Average Household Income	Average Household Income as a Percentage of AMI	Average House Price
Boston	199	\$63,025	65	\$251,318
New York	976	\$63,525	58	\$171,723
Pittsburgh	920	\$49,390	60	\$165,377
Atlanta	1,359	\$58,877	64	\$227,763
Cincinnati	1,662	\$51,606	56	\$151,530
Indianapolis	145	\$44,530	64	\$139,944
Chicago	3,473	\$47,188	62	\$142,375
Des Moines	699	\$46,942	62	\$141,459
Dallas	581	\$42,516	60	\$158,832
Topeka	1,219	\$50,273	59	\$138,388
San Francisco	269	\$60,552	66	\$311,176

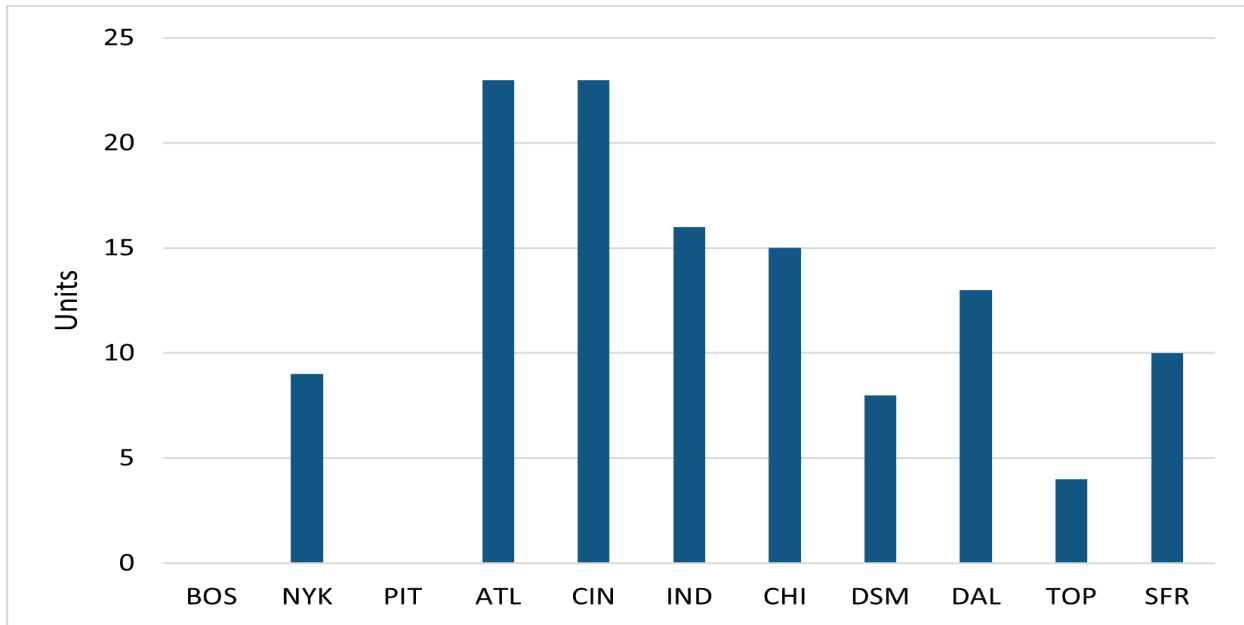
Figure 13b: Set-Aside Program Average House Prices (2009-2023)



Manufactured Housing: Under the set-aside programs, AHP subsidies may be used for down payment, closing cost, counseling, or rehabilitation assistance in connection with a household's

purchase or rehabilitation of housing, including manufactured housing. Figure 14 details manufactured housing units assisted by an AHP set-aside subsidy in 2023.

Figure 14: Number of 2023 AHP Homeownership Set-Aside-Assisted Manufactured Housing Units



First-Time Homebuyers and Owner-Occupied Rehabilitation: As discussed above, an FHLBank must allocate at least one-third of its annual set-aside funding allocation to assist first-time homebuyers or homeowners for owner-occupied rehabilitation, or some combination of both. The FHLBanks often allocate more than the required minimum for first-time homebuyers. In 2023, the FHLBanks provided funding for 10,084 units that were either for first-time homebuyers or were owner-occupied rehabilitation units.³⁹ The average AHP subsidy provided to these homebuyers was about \$7,717.

³⁹ In 2023, approximately 88 percent of AHP set-aside units assisted were first-time homebuyer units. Additionally, one unit assisted with set-aside subsidy was for both first-time homebuyers and owner-occupied rehabilitation.



*AHP set-aside subsidy assisted a homeowner in Romulus, Michigan in replacing worn out siding on a home through the FHLBank's Neighborhood Impact Program, which helps fund deferred maintenance and certain other necessary home repairs that low- or moderate-income households may struggle to afford on their own.
(Source: Indianapolis FHLBank)*

First-Time Homebuyers Financing: Figure 15 includes a breakdown, by income group, of first-time homebuyers assisted by the FHLBanks' set-aside programs and additional financing characteristics in 2023. Approximately 88 percent of first-time homebuyers assisted in 2023 received fixed-rate first mortgage loans, down slightly from 91 percent in 2022. About 90 percent of these first-time homebuyers received a first mortgage loan originated by an FHLBank member, up from 89 percent in 2022.

Some lower-income households, even with a set-aside grant, need additional funding assistance to purchase a home. In 2023, approximately 22 percent of first-time homebuyers assisted under the set-aside programs also obtained a grant or forgivable loan from other sources to use in conjunction with the set-aside grant, up from 20 percent in 2022.⁴⁰ However, consistent with previous years, in 2023, fewer of these first-time homebuyers who received set-aside funds also obtained a second mortgage loan (428), and even fewer (108) obtained a combination of a first mortgage loan, second mortgage loan, and non-AHP grant or forgivable loan.

⁴⁰ A forgivable loan is a loan where the borrower is not required to pay interest or repay the principal, subject to certain conditions, such as a length of ownership requirement. After these conditions are met, the loan effectively becomes a grant.

Figure 15: 2023 AHP Homeownership Set-Aside Programs: First-Time Homebuyers' Additional Financing Characteristics

First-Time Homebuyer Household Incomes	Fixed-Rate First Mortgage Loans	First Mortgage Loans Financed by FHLBank Members	Non-AHP Grants or Forgivable Loans	Second Mortgage Loans	Non-AHP Grants or Forgivable Loans and Second Mortgage Loans
Incomes at or below 30 percent of AMI	203	233	56	7	2
Incomes greater than 30 percent, to 50 percent of AMI	1,924	1,938	518	84	28
Incomes greater than 50 percent, to 80 percent of AMI	8,090	7,748	1,856	337	78
Total	10,217	9,919	2,430	428	108

THE COMMUNITY INVESTMENT PROGRAM AND THE COMMUNITY INVESTMENT CASH ADVANCE PROGRAM

The FHLBanks' support of affordable housing and community development activities includes their CIP and CICA programs. By statute, the CIP is a mandatory program, while the CICA program is not. Unlike the AHP, CIP and CICA funding is not subject to specific statutory funding contribution requirements. FHLBank members may finance eligible targeted housing through the CIP, and eligible targeted mixed-use projects⁴¹ and targeted economic development projects through both the CIP and CICA programs.⁴² A variety of factors drive FHLBank member demand for these programs, including community needs in FHLBank districts and broader economic dynamics. The income targeting requirements for CICA economic development projects are generally less restrictive than for CIP economic development projects, which may also impact program participation. Figure 16 outlines the program type, eligibility, and funding type for the two programs.

41 Mixed-use projects are projects involving a combination of housing and economic development components, such as commercial or community space. See 12 C.F.R. § 1292.5(b).

42 For mixed-use projects funded under CICA, income targeting is only required for the economic development portion of the project. For mixed-use projects funded under CIP, both the housing and economic development portions of the project must meet the appropriate targeted income levels. 12 C.F.R. § 1292.5(b).

Figure 16: CIP and CICA Programs: Program Type, Eligibility, and Funding Type

Program Characteristics		CIP	CICA
Type		Statutorily Required (Bank Act)	Voluntary
Participants		FHLBank members	FHLBank members and housing associates
Eligible Uses		Economic Development, Mixed-Use, or Housing	Economic Development or Mixed-Use
Targeted Income	Housing	Household incomes are 115 percent or less of AMI	N/A
	Economic Development	Household incomes are 80 percent or less of AMI, or activities are located in neighborhoods where at least 51 percent of households are low- or moderate-income	Includes designated redevelopment areas, Empowerment Zones and Champion Communities, ⁴³ and areas where rural households' incomes are 115 percent or less of AMI, or urban households' incomes are 100 percent or less of AMI
Funding Type		Advances and Letters of Credit ⁴⁴	Long-term advances, Letters of Credit, and Grants
Advance Pricing		Cost of funds plus reasonable administrative costs	Regular advance pricing or discounted advance pricing

Amount Funded: Figure 17a provides details of the CIP and CICA programs and their funding for both 2022 and 2023. As in recent years, CIP generally funded housing projects, while CICA generally funded economic development projects. CIP total advance commitments for both housing and economic development projects were about \$4.4 billion in 2023, an increase from approximately \$3.5 billion in 2022. Of this amount, CIP advance commitments for housing projects were about \$4.2 billion, an increase from approximately \$3.2 billion in 2022. CIP funding also assisted more units in 2023, funding 31,675 units, over 11,600 more units than in 2022. In prior years, most of these units were rental units, but that has changed recently. In 2020, 60 percent of CIP-assisted housing units were owner-occupied; in 2021, 70 percent of these units were owner-occupied; in 2022, 78 percent were owner-occupied; and in 2023, about 83 percent of these units were owner-occupied (see Figure 17b).

Total CICA advance commitments were approximately \$2.6 billion in 2023, up from about \$1.4 billion in 2022. CICA advance commitments for mixed-use projects were approximately \$8.2

⁴³ See 12 C.F.R. § 1292.1. “Champion Community” means a community that developed a strategic plan and applied for designation by either the Secretary of the Department of Housing and Urban Development or the Secretary of the Department of Agriculture as an Empowerment Zone or Enterprise Community but was designated a Champion Community.

⁴⁴ Letters of credit issued by an FHLBank guarantee payments made to another entity under stated conditions.

CIP AND CICA PROGRAMS

million in 2023, up from about \$7 million in 2022.

Figure 17a: CIP and CICA Overview (2022 and 2023)

	CIP (\$ million)		CICA (\$ million)	
	2022	2023	2022	2023
Total Advance Commitments ^a	\$3,510	\$4,443	\$1,409	\$2,641
Advance Commitments for Housing Projects	\$3,175	\$4,172	N/A	N/A
Advance Commitments for Mixed-Use Projects ^b	\$4.8	\$0.0	\$7.0	\$8.2
Advance Commitments for Economic Development Projects	\$330.2	\$270.7	\$1,402	\$2,633
Grants	N/A	N/A	\$8.5	\$11.0
Letters of Credit (Housing, Mixed-Use, and Economic Development Projects)	\$794.1	\$713.5	\$93.2	\$6.6
Total Projects ^c	158	368	219	399
Total Housing Units	20,020	31,675	N/A	N/A
Owner-Occupied	15,862	26,165	N/A	N/A
Rental	4,338	5,510	N/A	N/A

Note: Data based on FHLBank member projections at the time of application.

^a Total advance commitments include CIP advance commitments where an initial disbursement occurred. Excludes rollovers and refinancings of previous advances.

^b CICA funding other than CIP funds may be used for mixed-use projects, but income targeting is only required for the economic development portion of the project. For mixed-use projects funded under CIP, both the housing and economic development portions of the project must meet the appropriate targeted income levels.

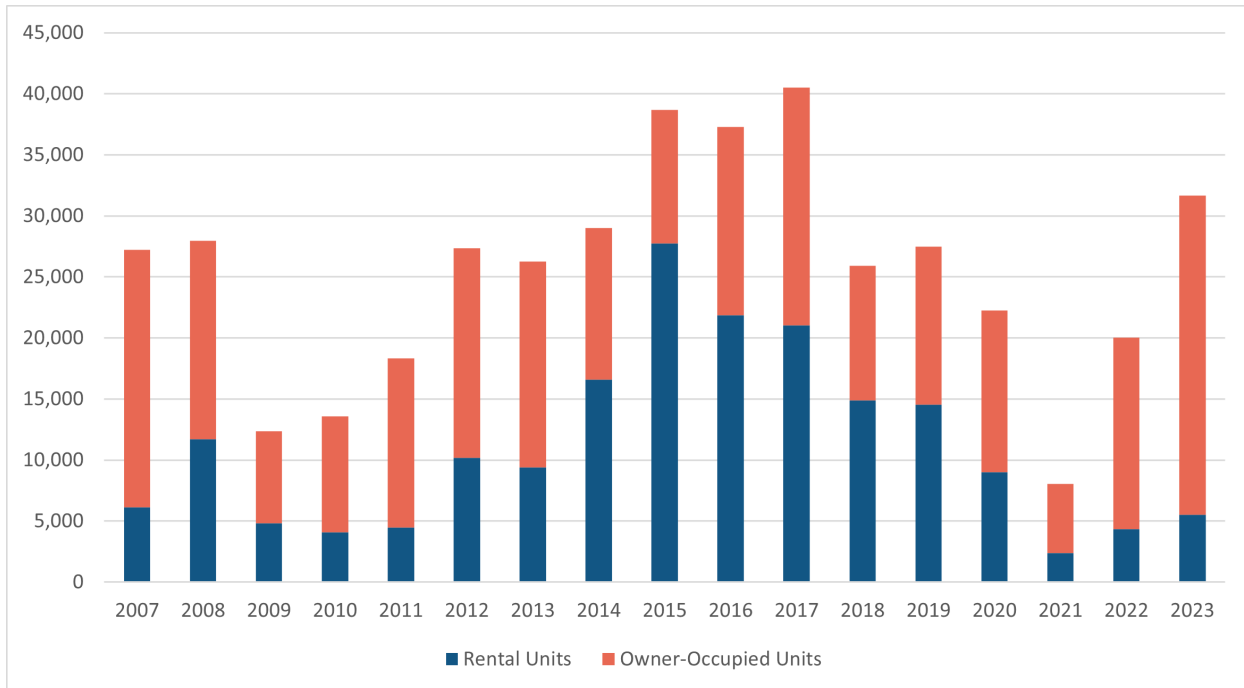
^c Total projects include projects financed with advances and exclude projects financed with grants or letters of credit.



Ridge Recovery Place

AHP subsidy was used to renovate the Ridge Place building located in Pittsburgh, Pennsylvania, after it was vacant for many years. The renovation will provide 40 beds for overnight shelter and long-term recovery for individuals experiencing homelessness. The space will include a multipurpose room for delivery of services, offices for counseling and administration, dining, laundry, and common areas. (Source: Pittsburgh FHLBank)

Figure 17b: CIP Housing Units (2007-2023)



CIP advance commitments for economic development projects decreased from \$330.2 million in 2022 to \$270.7 million in 2023. Economic development projects continued to constitute a minority of total CIP projects in 2023, with only 69 of 368 CIP projects being economic development projects.

Figure 18 shows that CIP economic development advances declined substantially after 2006. CICA economic development advances have generally trended upward since 2005 but were lower in 2021 and 2022.

Figure 18: CIP Economic Development Advances and CICA Economic Development Advances (2001 – 2023)

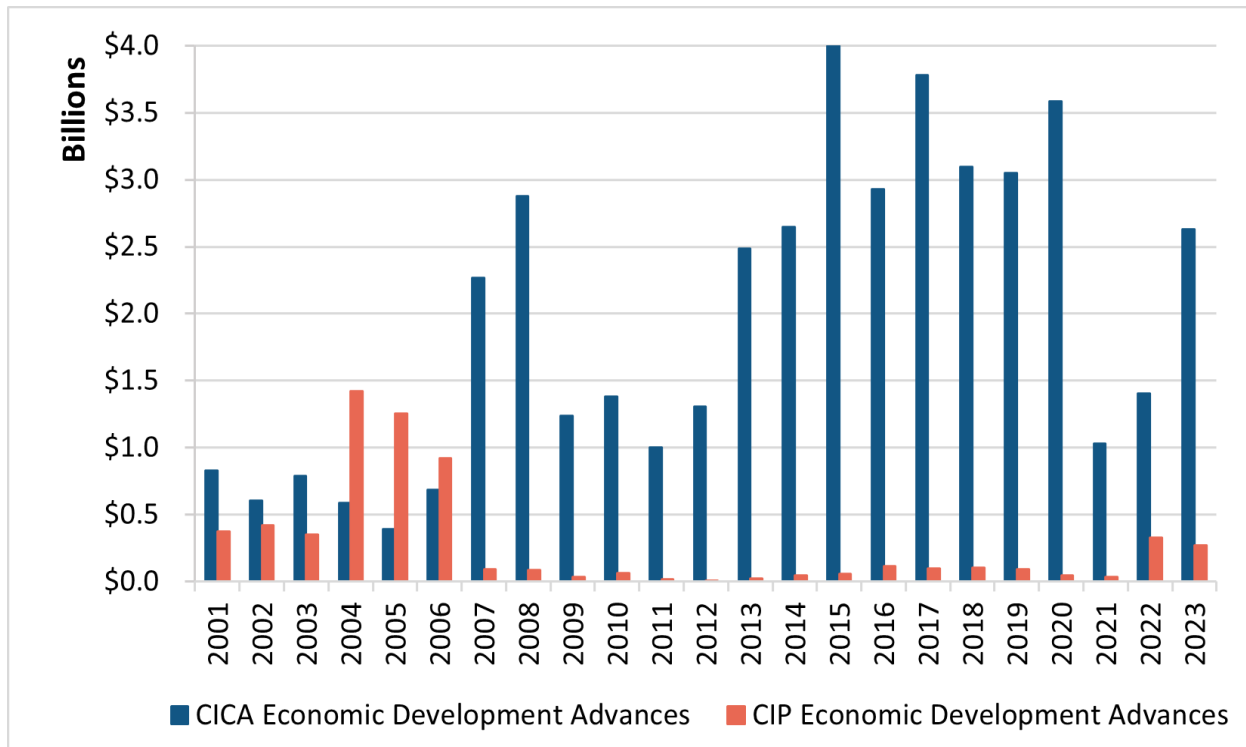


Figure 19 illustrates that FHLBank members’ 2023 participation in CIP economic development generally remained low compared to CICA economic development, except for the Chicago FHLBank. In the period between 2007 and 2023, CIP economic development advances were approximately three and a half percent of total economic development advances in the CIP and CICA programs on average.

Figure 20 shows CICA economic development funding in 2023 for all FHLBanks in absolute figures, and as a percentage of each FHLBank’s daily average of advances, to account for the differences in FHLBank overall advance activity. Generally, larger FHLBanks that provide more regular advances also tend to provide more CICA economic development advances.

Figure 21 shows the amount of CIP funds used for housing since 2001, which spiked in 2017. CIP housing funding in 2023 was about \$1 billion higher than in 2022. Figure 22 shows FHLBank members’ participation in CIP housing advances in 2023.

Figure 19: 2023 FHLBank Members' Participation in CIP and CICA Economic Development

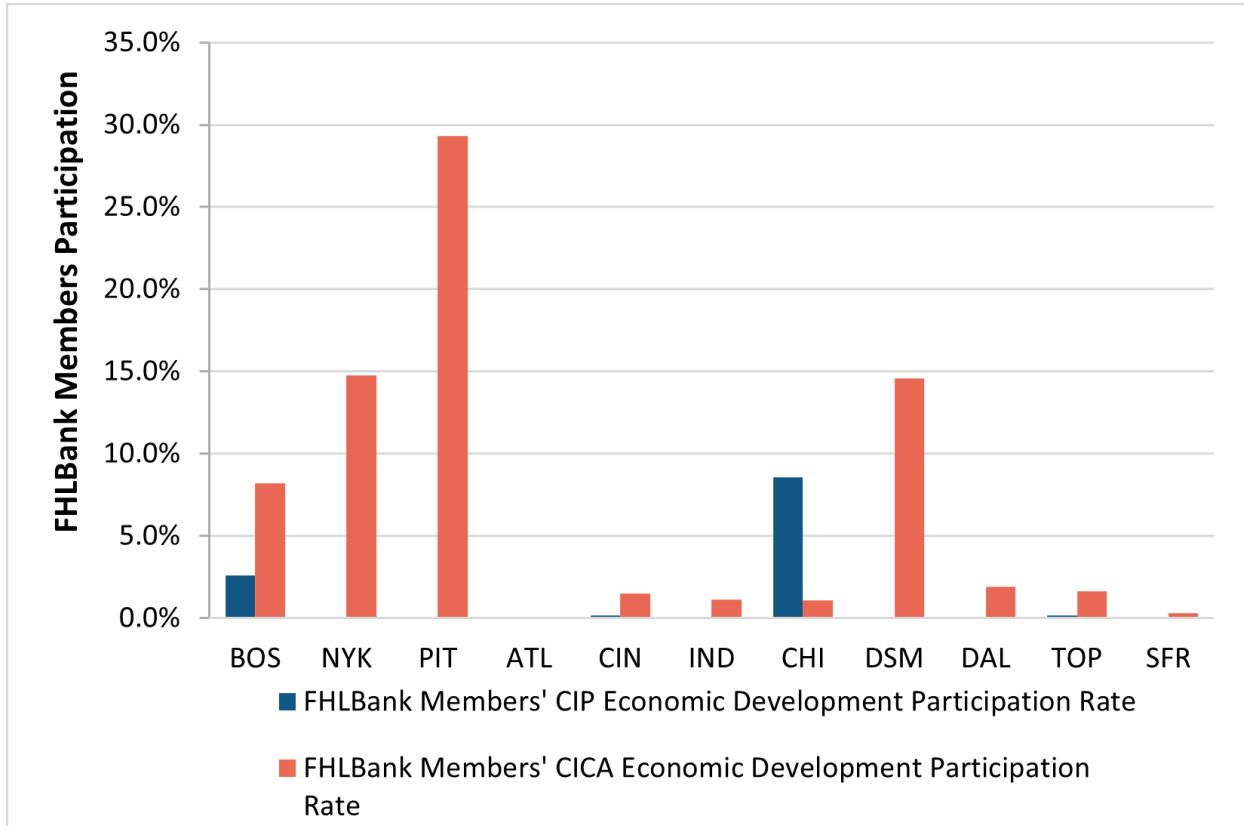
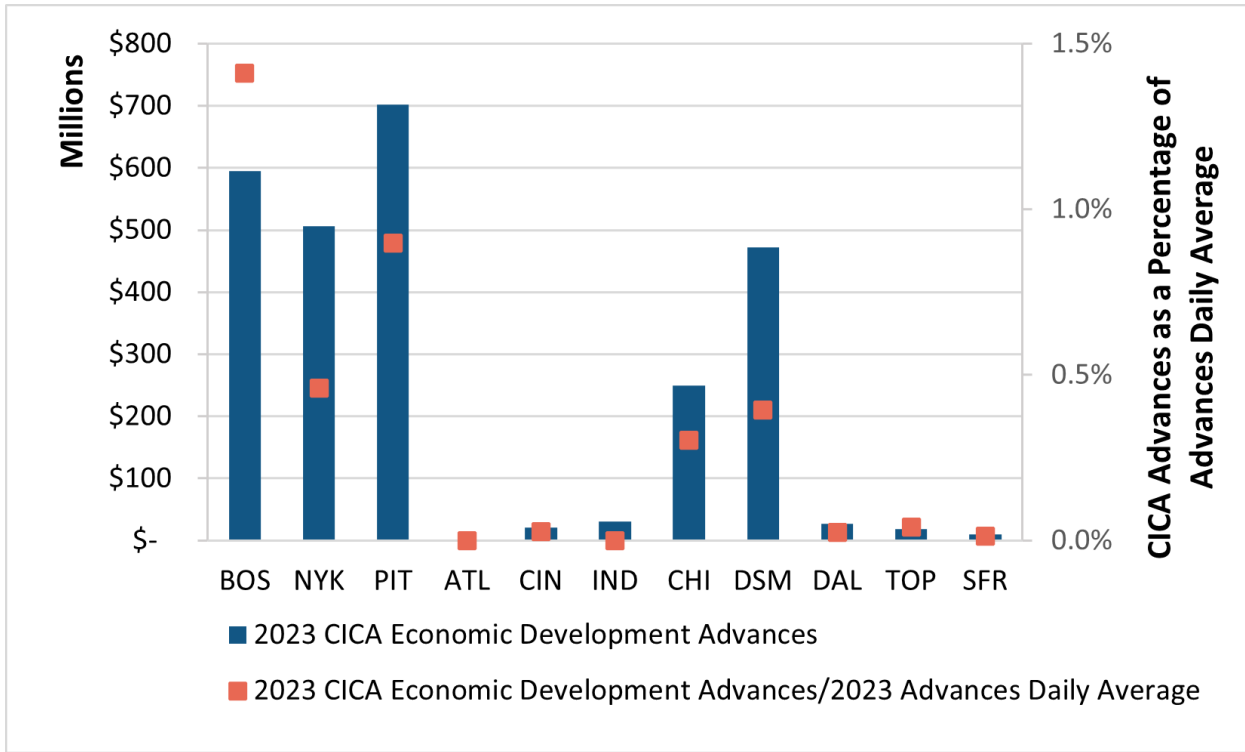


Figure 20: 2023 CICA Economic Development Funding



Source: Advances daily average data from FHFA's Call Report System

Figure 21: CIP Housing Funding (2001 – 2023)

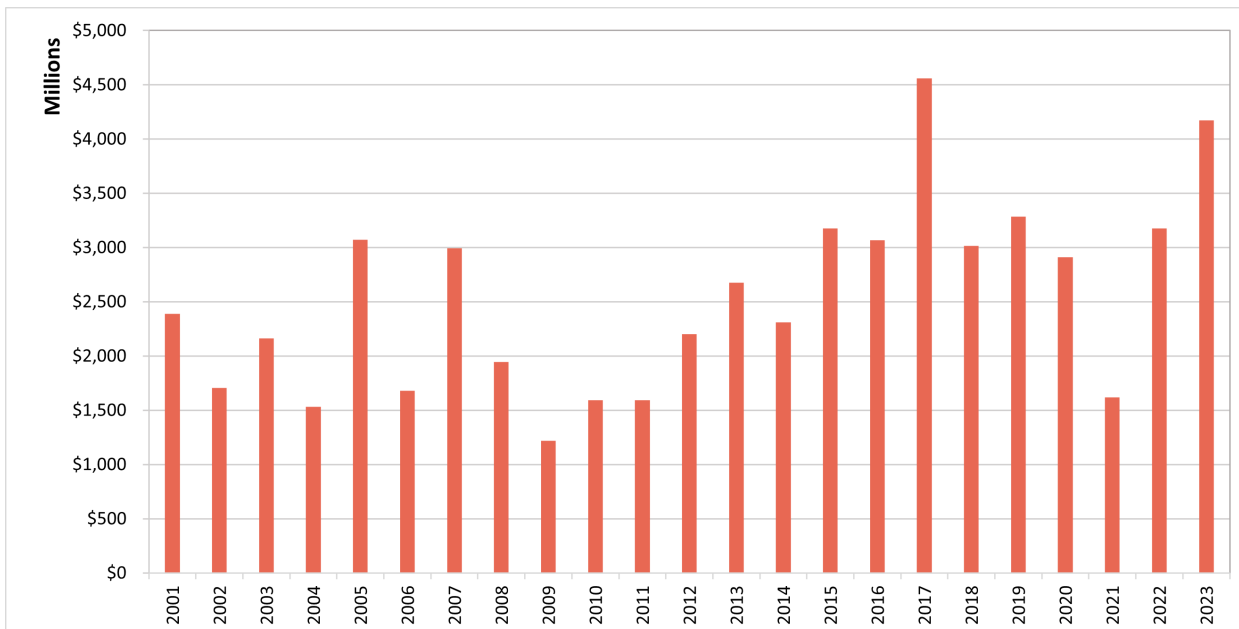
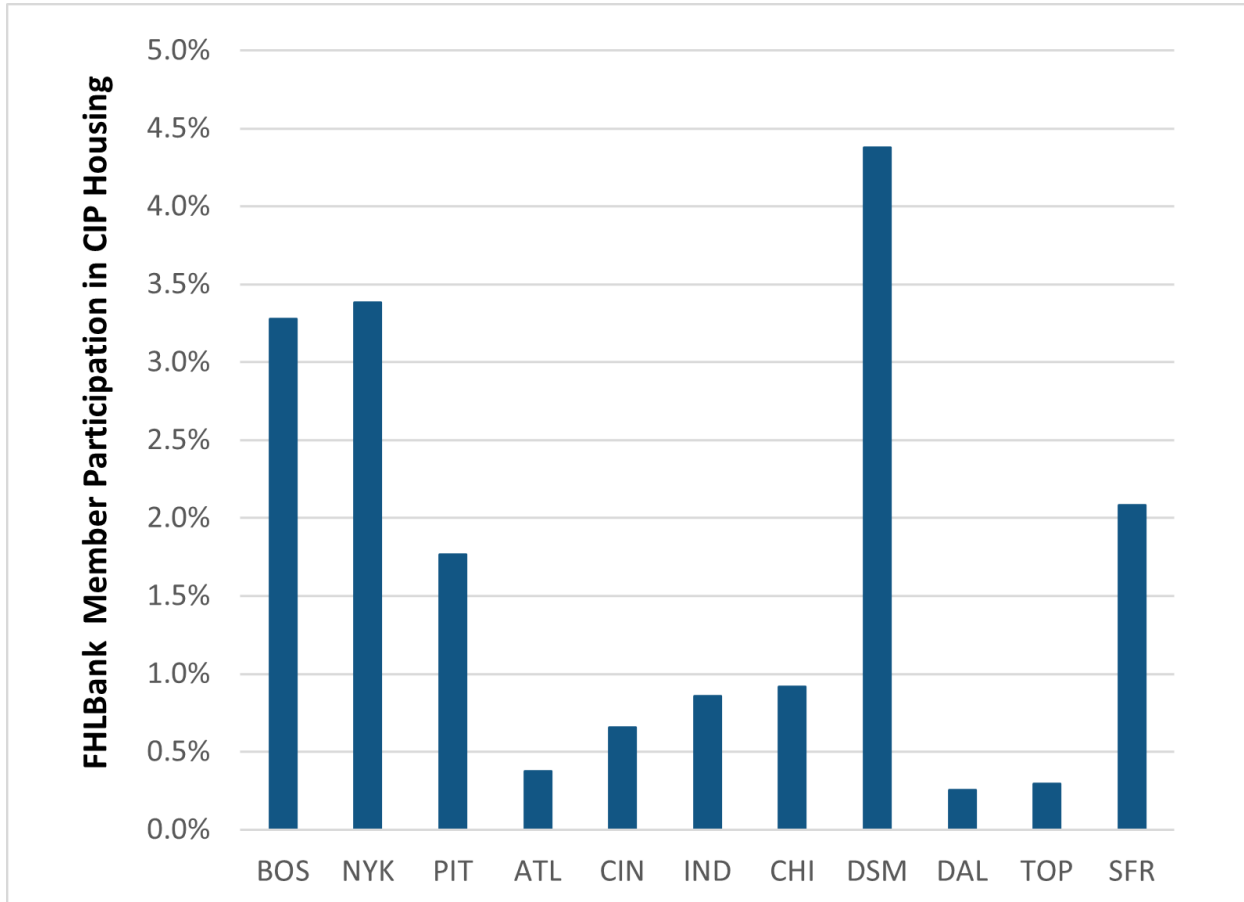


Figure 22: 2023 FHLBank Members' Participation in CIP Housing Funding



Newhallville Affordable Homeownership Initiative

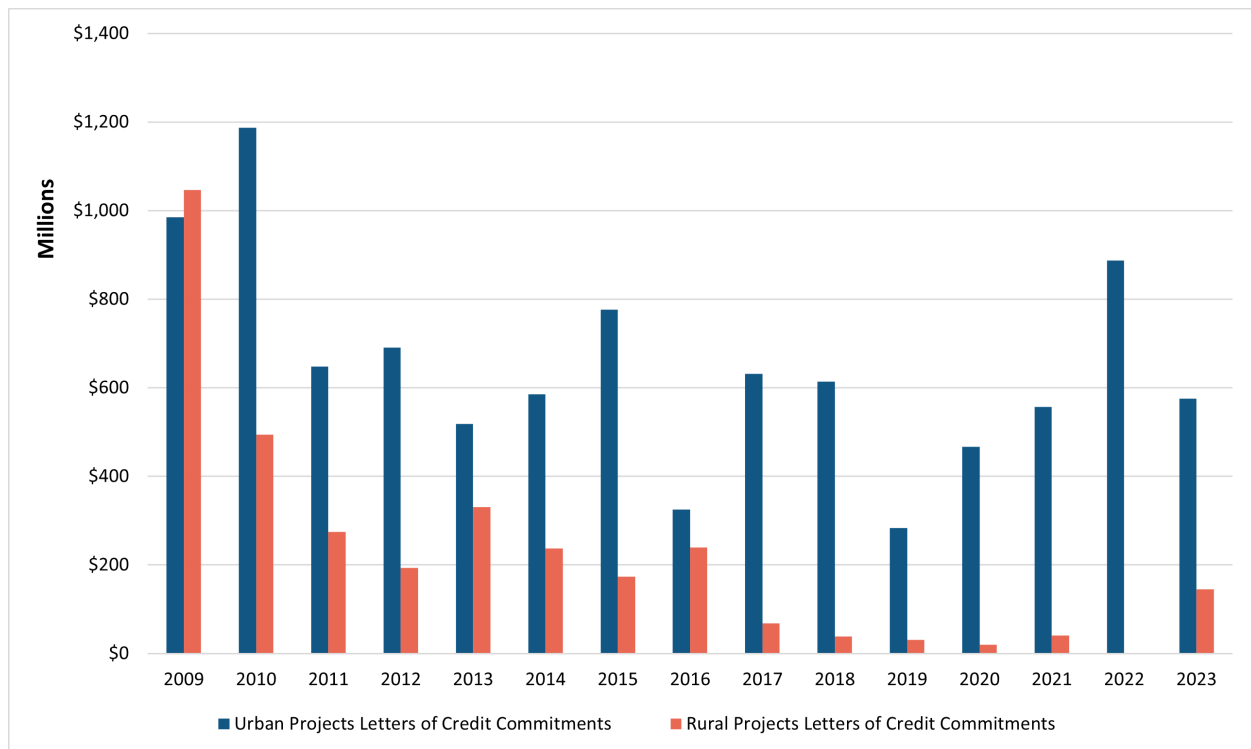
Newhallville Affordable Homeownership Initiative involves acquisition, rehabilitation, and new construction to create five homeownership opportunities in the Hill and Newhallville neighborhoods of New Haven, Connecticut using AHP subsidy. Three two-family homes and one single-family home will be constructed on vacant lots where prior housing has been removed. This initiative responds to the severe lack of affordable homeownership opportunities in the city, redevelops vacant lots and blighted buildings, and provides economic diversification in two of the lowest-income neighborhoods of the city. (Source: Boston FHLBank)

CIP AND CICA PROGRAMS

Letters of Credit: Community developers may use CIP and CICA letters of credit to facilitate financial transactions, including credit enhancements. The use of CIP letters of credit decreased from approximately \$794.1 million in 2022 to approximately \$713.5 million in 2023. CICA letters of credit decreased from approximately \$93.2 million in 2022 to approximately \$6.6 million in 2023. The decrease in CIP letters of credit was driven mostly by a decrease at the FHLBank of Indianapolis from 2022, and the decrease in CICA letters of credit over the same period was driven by the FHLBank of San Francisco. In 2022, the FHLBank of San Francisco was the only FHLBank to fund CICA letters of credit, but it did not fund any CICA letters of credit in 2023. The only FHLBank to fund CICA letters of credit in 2023 was the FHLBank of New York.

Figure 23 shows that the use of CIP and CICA letters of credit to assist projects in urban areas decreased from approximately \$887.3 million in 2022 to approximately \$575.4 million in 2023. CIP and CICA letters of credit were not used to assist projects in rural areas in 2022, but approximately \$144.6 million were committed to rural areas in 2023.

Figure 23: CIP and CICA Urban and Rural Projects Letters of Credit Commitments (2009 – 2023)





After Tennessee floods occurred in 2021, Appalachia Service Project (ASP) helped the efforts in rebuilding. ASP is a nonprofit organization whose mission is to inspire service through volunteer home repair and replacement throughout Central Appalachia. As part of their efforts, they accessed the FHLBank of Cincinnati's voluntary Disaster Reconstruction Program funds to begin repairing and reconstructing homes in the area. (Source: FHLBank Cincinnati)

ADDITIONAL VOLUNTARY TARGETED MISSION ACTIVITY PROGRAMS, ACTIVITIES, AND ADDITIONAL FUNDING OF THE AHP

The FHLBanks also fund voluntary, targeted mission activity programs and activities outside of their AHP, CIP, and CICA programs. In some cases, they also provide additional voluntary funding to their AHPs beyond the statutorily required minimum contribution of 10 percent of their prior year's earnings. When an FHLBank contributes more than its required annual AHP contribution, the FHLBanks refer to these "excess" contributions as "voluntary," even though they are differentiated from the FHLBanks' voluntary AHP Homeownership Set-Aside Programs.⁴⁵ Below are summaries of the FHLBanks' additional voluntary programs, activities, and additional funding of the AHP in 2023. These descriptions are provided by, or based on information provided by, each FHLBank.

The **Boston FHLBank** offered a number of voluntary programs in 2023. These included Housing Our Workforce and Jobs for New England. The Housing Our Workforce program provides grants to help homebuyers earning from 80 percent to 120 percent of AMI with down payment and closing cost assistance. The FHLBank disbursed \$5.1 million through this program in 2023, supporting 219 home purchases. Under the Jobs for New England program, the FHLBank offers below-market-rate advances to FHLBank members so they can provide low-interest small business loans. In 2023, the FHLBank funded over \$5.4 million in advances under this program to 115 small businesses that created or retained over 1,300 jobs in New England.

The FHLBank also offered Lift Up Homeownership, a Special Purpose Credit Program consisting of grants for down payment and closing cost assistance for people of color earning up to 120 percent of AMI. The program disbursed \$2.5 million in 2023, supporting 51 home purchases. The FHLBank also provided a \$2 million voluntary contribution to its AHP General Fund in 2023, which provided grants and interest rate subsidy for affordable housing creation and preservation.

In addition, the FHLBank coordinated the Affordable Housing Development Competition that pairs graduate students with project developers for projects early in the development cycle. Students form interdisciplinary teams across different schools, and over two months, are advised by faculty, design, and finance mentors to create a detailed development plan for their

⁴⁵ These excess amounts are not subject to the allocation limit on funds for AHP homeownership set-aside programs. The AHP regulation provides that each FHLBank may allocate annually, in the aggregate, up to the greater of \$4.5 million or 35 percent of its required annual AHP contribution to homeownership set-aside programs. 12 C.F.R. § 1291.12(b). This allocation limit applies only to amounts set aside for homeownership set-aside programs from the statutorily required AHP contribution.

ADDITIONAL PROGRAMS, ACTIVITIES, AND FUNDING OF THE AHP

affordable housing project. The 23rd annual Affordable Housing Development Competition, held in 2023, partnered graduate students interested in architecture, real estate, planning, finance, and policy with local affordable housing organizations to deliver seven innovative proposals for homes, families, seniors, and formerly homeless individuals.

The **New York FHLBank** offered voluntary programs and charitable grants to a number of recipients in 2023. The FHLBank's Zero Percent Development Advance Program provides FHLBank members with subsidized funding in the form of interest rate credits to assist in originating loans or purchasing loans/investments.⁴⁶ In 2023, the FHLBank provided approximately \$2.4 million in interest rate credits. The FHLBank also offered the Small Business Recovery Grant Program in 2023, which provides funding to FHLBank members to award grants to eligible small businesses and nonprofit organizations across the FHLBank's district. This funding supports the financial security of qualifying organizations that face economic challenges due to the interest rate environment, inflation, supply-chain constraints, and/or rising energy costs. In 2023, the FHLBank awarded over \$5.3 million through this program to support 1,003 organizations.

The FHLBank also offered \$2.9 million in charitable grants to 16 recipients, supporting a wide range of organizations. These grants were allocated throughout the FHLBank district to help address vital issues including homelessness prevention, supportive housing services, climate resiliency, legal assistance for low-income families facing housing challenges, and advancing the FHLBank's goals to assist Minority- and Women-Owned Businesses to become more successful affordable housing developers and operators.

The FHLBank also provided \$12.6 million in voluntary contributions to its AHP in 2023. Specifically, the FHLBank contributed approximately \$8.8 million to its General Fund, and \$3.8 million to its homeownership set-aside program.

The **Pittsburgh FHLBank** offered a variety of voluntary programs in 2023, including Banking On Business (BOB) and the Banking On Business Inclusion and Equity fund (BOBIE). Under BOB, the FHLBank offers secondary financing in conjunction with an FHLBank member's first loan to help qualified small businesses that would not otherwise meet the member's underwriting standards. Members can request up to \$200,000 per transaction. Funds are available to enrolled members during an open funding round on a first-come, first-served basis. In 2022, the

⁴⁶ The FHLBank's Zero Percent Development Advance Program helps support member lending for and investing in small businesses, climate resiliency or energy-efficiency, infrastructure projects, and housing, community, and economic development on Tribal lands.

ADDITIONAL PROGRAMS, ACTIVITIES, AND FUNDING OF THE AHP

FHLBank introduced BOBIE, a more targeted version of BOB, to provide funds for Minority- and Women-Owned small businesses. BOBIE is intended to meet the needs of underrepresented small businesses by offering more flexible terms than are otherwise available under BOB. In 2023, the FHLBank approved \$3.2 million under BOB and \$4.3 million under BOBIE. These funds assisted 64 businesses (35 of which were under BOBIE), which the FHLBank expects will be used to create or preserve 605 jobs.

The FHLBank also continued with its Blueprint Communities program. Under Blueprint Communities, the FHLBank aims to revitalize older communities and neighborhoods in its district, which comprises Delaware, Pennsylvania, and West Virginia, through building local leadership, collaboration, and development capacity. The initiative also develops local and regional planning skills and encourages coordinated investments in targeted communities by public and private funders. In 2023, the FHLBank awarded over \$223,000 through the initiative, supporting six communities in West Virginia.

Additionally, the FHLBank offered its Home4Good program, under which the FHLBank provides grants to fund projects, programs, and activities that help those who are experiencing homelessness or are at risk of becoming homeless. The funds are offered in partnership with the Delaware State Housing Authority, the Pennsylvania Housing Finance Agency, and the West Virginia Housing Development Fund. Applications to the program are submitted through an annual proposal process, with FHLBank members serving as co-applicants. In 2023, the FHLBank contributed \$3.5 million, and the housing finance agencies contributed \$2.325 million to the program, all of which was awarded to 90 projects to support homeless services through 79 service providers.

The FHLBank also offered the Voluntary Housing Grant initiative in 2023. Through this initiative, the FHLBank provides competitively awarded grants to affordable housing developers engaged in acquiring, constructing, or rehabilitating affordable housing located in Delaware, Pennsylvania, and West Virginia for households with incomes at or below 80 percent of AMI. The initiative is designed to provide funding to help low- or moderate-income households in need of stable homes as they rebuild and recover from the pandemic. Through this initiative in 2023, the FHLBank awarded \$8 million to 13 projects supporting 343 affordable homes.

The **Atlanta FHLBank** offered a number of voluntary programs in 2023, including the Multifamily Housing Bridge Fund (MFHBF). Through the MFHBF, the FHLBank awarded approximately \$8.3 million in total funding to 28 projects. The program was developed to support projects facing

ADDITIONAL PROGRAMS, ACTIVITIES, AND FUNDING OF THE AHP

delays due to inflation and construction costs. MFHBF recipients received up to \$500,000 each to close funding gaps for initiatives that were at least 50 percent complete at the time of application. Projects include a mix of multifamily and mixed-use rental housing, each targeting households earning up to 120 percent of AMI. Projects were required to be located in the FHLBank's district, and sponsors worked with the FHLBank's member financial institutions to submit funding applications.

In 2023, the FHLBank also made a voluntary contribution of \$11.2 million to its AHP homeownership set-aside program, assisting more than 840 households. The additional funding was targeted toward the program's First-time Homebuyer Product, Community Partners Product, and Community Rebuild and Restore Product. The First-time Homebuyer Product provides up to \$12,500 in down payment, closing cost, counseling, or rehabilitation assistance in connection with the purchase or purchase and rehabilitation of an existing home. The Community Partners Product provides up to \$15,000 in down payment, closing cost, counseling, or rehabilitation assistance in connection with the purchase or purchase and rehabilitation of an existing home. It is available for currently employed or retired law enforcement officers, educators, or employees of an accredited or state-recognized private or public school, firefighters, health care workers, other first responders, veterans or their surviving spouses, and essential workers. The Community Rebuild and Restore Product provides up to \$10,000 in funding for the rehabilitation of an existing owner-occupied home in Emergency Declaration areas or Major Disaster Declaration areas designated by the Federal Emergency Management Agency (FEMA).

The **Cincinnati FHLBank** continued providing grants through a voluntary program called the Carol M. Peterson Housing Fund, established in 2010. These grants are provided for accessibility, rehabilitation, and emergency repairs of homes inhabited by those with special needs, including those over age 60. In 2023, the FHLBank disbursed over \$6.4 million to assist 539 households.

Additionally, the FHLBank continued offering its Disaster Reconstruction Program, established in March 2012 following tornadoes that swept through parts of the FHLBank's district. The program provides grants of up to \$20,000 to assist households affected by natural disasters with the purchase, construction, or repair of their primary residence. Renters may receive grants up to \$10,000 to purchase a home. In 2023, the FHLBank awarded over \$1 million through the program to 66 households.

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In 2023, the FHLBank also offered the Zero Interest Fund (ZIF), which provides zero interest loans to promote housing and economic development. ZIF loans, which are awarded up to \$100,000, help fund the upfront infrastructure costs for housing, commercial, and industrial real estate-related projects. In 2023, \$500,000 was disbursed through the ZIF, supporting five projects.

The **Indianapolis FHLBank** offered a number of voluntary programs in 2023, including Elevate, a competitive grant program for small businesses in the FHLBank's district. The program assists with the growth and development of small businesses, their workforces, and the communities where they are located. Recipients can receive up to \$20,000 for capital expenditures, workforce training, or a variety of other needs. The FHLBank allocated over \$700,000 to the program in 2023. The FHLBank awarded 38 grants to small businesses, 30 of which were women-, minority-, or veteran-owned.

Additionally, the FHLBank offered its Stepping Up grant initiative in 2023, which provided voluntary contributions to its AHP. The FHLBank disbursed approximately \$1.4 million in additional funds to its homeownership set-aside program, which assisted 146 additional households. The FHLBank provided \$4.4 million in additional funds to its General Fund, which assisted 10 additional projects, supporting nearly 300 more units.

Community Mentors, a community engagement and economic development leadership event hosted in partnership with the FHLBank also helps community leaders make connections, stimulate thinking, and challenge conventional wisdom about community building. Each year, two qualified communities in Indiana and Michigan are selected through a competitive application process to be the lead partner and host the daylong Community Mentors workshop. Each host is awarded a \$10,000 grant to help with the cost of creating a community plan, commissioning a study, or implementing a specific initiative identified at the workshop. Through this program in 2023, both communities were assisted in developing and collaborating on a solution for an identified need within their community. Awardees also received a \$10,000 grant to help fund the initiative and help it move toward implementation.

The FHLBank also offered the Community Spirit Award, which is given on an annual basis to recognize an outstanding individual at one of the FHLBank's member institutions who has shown a commitment to affordable housing and community development. The FHLBank, which donates \$2,500 to a nonprofit or charity of the recipient's choice in their honor, awarded two prizes for a total of \$5,000 in 2023.

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In addition, the FHLBank offered a Special Purpose Credit Program in 2023, the HomeBoost Minority Down Payment Assistance Program, which provides up to \$15,000 of down payment assistance to first-time homebuyers who identify as Black or African American, Asian, Hispanic, Indian American or Alaska Native, and/or Native Hawaiian or Other Pacific Islander, and have a household income at or below 120 percent of AMI, to purchase a primary residence in Indiana or Michigan. In 2023, the FHLBank awarded about \$2.3 million to 159 recipients through the program.

The **Chicago FHLBank** offered a number of voluntary programs in 2023. The FHLBank awarded approximately \$2.1 million through its Community First Housing Counseling Resource Program, which expands the reach of housing counseling agencies to minority and low- and moderate-income homebuyers. Eligible uses of funds include hiring new staff, marketing, outreach activities, and technology enhancements. In 2023, 30 U.S. Department of Housing and Urban Development (HUD)-approved housing counseling agencies were awarded funds.

The FHLBank also awarded almost \$2 million through the Community First Diverse Developer Initiative to support career development for diverse developers of affordable housing. Ten affordable housing development organizations received awards.

Additionally, in 2023, the FHLBank offered the Accelerate Grants for Small Business program, through which \$4.3 million in grants were awarded to 172 small businesses to support capacity building activities.

In 2023, the FHLBank also made an additional contribution of \$15.7 million to its AHP homeownership set-aside program, providing grants to over 1,600 additional households, enabling the FHLBank to meet member demand for down payment assistance grants year-round.

The FHLBank also offers the Community First Fund, a revolving loan fund that provides unsecured loans to community organizations, including non-depository CDFIs, to support their affordable housing and economic development lending. In 2023, the FHLBank originated \$750,000 in new Community First Fund lending.

The Des Moines FHLBank offered a number of voluntary programs in 2023, including the Member Impact Fund (MIF). The MIF offers financial support for affordable housing and community development initiatives in targeted areas of the FHLBank's district. The FHLBank

ADDITIONAL PROGRAMS, ACTIVITIES, AND FUNDING OF THE AHP

provided matching grants of nearly \$3 for every \$1 donated by a member financial institution to support capacity building or working capital for the members' affordable housing or government partners. In total, 85 members were awarded 501 grants to support eligible organizations located in Hawaii, Idaho, Utah, Wyoming, and the U.S. territories of Guam, American Samoa, and the Commonwealth of the Northern Mariana Islands. Specifically, Hawaii received \$1.6 million including 21 awards through 10 members, Idaho received \$3.5 million including 89 awards through 29 members, Utah received \$6.3 million including 121 awards through 27 members, Wyoming received \$3.5 million including 264 awards through 27 members, and the U.S territories received the following: American Samoa, \$5,000; the Commonwealth of the Northern Mariana Islands, \$75,000; and Guam, \$85,000.

The FHLBank also provided a Maui Wildfire Donation of \$5 million in 2023. The \$5 million in relief effort funds was awarded to the Hawaii Bankers Association (HBA) and the Valley Isle Chapter of the Hawaii Credit Union League (VIC-HCUL). Specifically, \$4 million was awarded to HBA, which regranted funds to the Hawaii Community Foundation's Maui Strong Fund, the United Way of Maui, and the Council for Native Hawaiian Advancement. Additionally, \$1 million was awarded to VIC-HCUL, which established the Credit Union Wildfire Relief Fund.

In addition, the FHLBank provided a \$5 million voluntary contribution to its AHP General Fund, which supported seven additional projects with 246 units.

The **Dallas FHLBank** offered several voluntary programs in 2023. The FHLBank's Partnership Grant Program (PGP) provides up to a three-to-one match of a member's contributions, up to \$12,000 per member, to promote and strengthen relationships between community-based organizations and the FHLBank's members. In 2023, the FHLBank awarded \$400,000 in PGP funds, and members contributed \$157,250 to 43 community-based organizations.

Additionally, the FHLBank offered the Housing Assistance for Veterans (HAVEN) program. This program assists veterans and active-duty, reserve, and National Guard service members who became disabled as a result of their military service dating back to August 2, 1990, with up to \$15,000 for down payment assistance, necessary home modifications, or to offset new construction costs. Additionally, Gold Star Families impacted after August 2, 1990, may qualify for assistance with home repairs or rehabilitation. To qualify, household income must be at or below 165 percent of AMI. In 2023, the FHLBank funded about \$250,000 in HAVEN grants to assist 21 military families.

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The FHLBank also offered its Small Business Boost (SBB) program, an economic development program to help participating members provide financing for qualified small businesses by filling the gap between member financing and the loan request made by the business. SBB funds are provided as a secondary, unsecured loan of up to \$125,000 that is made in conjunction with a loan made by the participating member. There are no repayments due on the SBB loan in the first year, which helps improve initial cash flow for the small business. In 2023, the FHLBank funded about \$3.5 million in SBB loans to 46 small businesses, which the FHLBank expects will create or retain 153 jobs.

In 2023, the FHLBank also offered Fortified, a voluntary construction and re-roofing funding program developed by the Insurance Institute for Business and Home Safety to reduce the damage caused by severe weather. The FHLBank provides grant funds to homeowners at or below 120 percent of AMI, with up to \$15,000 to replace an existing roof or up to \$7,500 to upgrade the roof on a new construction home to a Fortified roof. In 2023, the FHLBank committed about \$1.5 million in grants to 116 homeowners, of which approximately \$400,000 was disbursed to 30 homeowners.

The FHLBank also offered the Heirs' Property Program in 2023. Heirs' property refers to property inherited without a will or legal documentation of ownership. As property is passed down, each successive generation generally results in more heirs being added to the inheritance. With the absence of a deed or will, property ownership can become more complicated as time passes. Heirs' Property Program grants assist organizations such as nonprofit, governmental, and tribal entities with initiatives that help prevent or address heirs' property issues. In 2023, grants of up to \$75,000 were made available to remediate heirs' property issues, and grants of up to \$25,000 were made available to provide education and will preparation services to prevent heirs' property issues. Twenty-one organizations received about \$905,000 through the Heirs' Property Program. The projected impact included 442 properties with titles cleared, 919 individuals to execute a will or similar document, and 8,264 individuals to complete training on property financial literacy.

The FHLBank also offered the Housing Recovery Grant (HRG), a program that provides recovery assistance to help FHLBank members' employees who suffered financial losses due to the severe weather that damaged parts of Arkansas and Mississippi in 2023. Grants of up to \$4,000 were made available for homeowners and renters residing in counties designated for Individual Assistance by FEMA. In 2023, 14 member employees received \$56,000 in HRG assistance.

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Additionally, the FHLBank offered the Small Business Recovery Grant (SBRG) program. The SBRG is a first-come, first-served noncompetitive grant program, designed to assist FHLBank member institutions in providing relief assistance to small businesses due to the severe weather that damaged parts of Mississippi and Arkansas in 2023. In 2023, grants of up to \$20,000 were provided under the program, with 109 small businesses receiving about \$2.2 million.

The **Topeka FHLBank** offered a number of voluntary awards in 2023 through the FHLBank's Native American Housing Initiatives. Specifically, the FHLBank awarded \$500,000 to the Housing Authority of the Seminole Nation of Oklahoma, with the funds to be used for the purchase and renovation of a building for use as a 12-room youth homeless shelter. Along with housing security, participants will receive supportive services to develop necessary life skills. The FHLBank awarded \$250,000 to the Absentee Shawnee Housing Authority for grants to address homeless prevention by providing up to \$1,000 per household for rent, utilities, deposits, and other housing-related debts that limit the ability to acquire permanent housing. The program will also offer home rehabilitation assistance of up to \$25,000 per household.

The FHLBank awarded \$500,000 to the Comanche Nation Housing Authority, which provides Qualified Tribal Elders, age 62 and older, up to \$8,000 in assistance for home repairs, renovation, and rehabilitation. The FHLBank awarded \$250,000 to Ho Chunk Community Development Corporation, providing up to \$65,000 in down payment assistance for new home construction through a forgivable loan. Where a homebuyer is purchasing an existing home, the FHLBank provides \$5,000 or up to 20 percent of the purchase price, whichever is less. The FHLBank awarded \$250,000 to the Tonkawa Tribe of Indians of Oklahoma to provide needed repairs for owner-occupied homes and rehabilitation of existing housing for Tribal members. The FHLBank awarded \$500,000 to the Housing Authority of the Cherokee Nation, which will supplement the cost of constructing a storm shelter and community gathering space for 14 low-to-moderate-income, elderly Native Americans living in Native rental housing. The FHLBank awarded \$478,000 to the Omaha Tribe Housing Authority for grants to fund the replacement of windows in 16 of the 137 occupied rental units owned by the housing authority. The FHLBank awarded \$272,000 to the Iowa Tribe of Kansas and Nebraska to provide funding to support the development of a strategic plan to determine how to best address housing for those living on the tribe's native lands.

The **San Francisco FHLBank** offered a number of voluntary programs in 2023. The FHLBank allocated and disbursed \$4 million through 53 FHLBank members for 75 Access to Housing and Economic Development (AHEAD) projects to support innovative, targeted initiatives that

ADDITIONAL PROGRAMS, ACTIVITIES, AND FUNDING OF THE AHP

create new economic opportunity by expanding proven development models or piloting new interventions. AHEAD funding supports low- to moderate-income communities through activities such as creating or preserving jobs, job training, supporting small businesses, and addressing special needs communities.

The FHLBank also offered the Empowering Black Homeownership Program (EBH), a matching grant program designed to narrow the Black homeownership gap by expanding access to expert housing counseling services. In 2023, the FHLBank disbursed \$780,500 in 36 EBH grants to 16 FHLBank members to address the historical and continuing racial discrimination in homeownership and expand the capacity of HUD-approved housing counseling agencies (HCAs) to serve more aspiring homeowners in communities of color. The \$780,500 in matching grants leveraged over \$80,000 in FHLBank member contributions. These funds were distributed to 16 HUD-approved local HCAs to serve homebuyers and homeowners in communities of color. The FHLBank estimates that the program provided housing counseling services to over 5,500 Black households.

The FHLBank also offered the Middle-Income Downpayment Assistance Program (MDPA), disbursing 216 grants totaling \$10 million to 31 FHLBank members. MDPA is a matching grant program to help make sustainable homeownership available for more families and individuals in Arizona, California, and Nevada, in partnership with the FHLBank's members. The grants are intended to help families and individuals who qualify as first-time homebuyers and earn between 80 percent and 140 percent of AMI. Eligible homebuyers who contribute a minimum of \$10,000 toward their down payment may qualify for a grant of up to \$50,000 that can be used for additional down payment and closing costs.

Additionally, the FHLBank disbursed \$240,000 in grants to the Nevada Housing Coalition to build capacity for affordable housing development in Nevada. The funds were used to improve development resources in the state, grow its affordable housing ecosystem, and better position Nevada to secure and deploy affordable housing dollars from a variety of existing and new sources. Capacity-building efforts included delivering critical training to practitioners on the nuances of securing and applying for affordable housing dollars, increasing the state's affordable housing project pipeline, and ultimately ensuring more housing options for all Nevadans.

The FHLBank also offered the Tribal Nations Program in 2023. Through this program, the FHLBank disbursed \$500,000 in grants to provide critically needed infrastructure funding to increase the supply of affordable housing for Native American communities. Funding will

ADDITIONAL PROGRAMS, ACTIVITIES, AND FUNDING OF THE AHP

support capacity-building efforts and delivery of technical assistance designed to help tribal organizations submit competitive applications to the FHLBank’s AHP, as well as to LIHTC and other federal, state, and local housing and community programs.

Below is a summary of the FHLBanks’ voluntary awards, grants, and subsidized advances in 2023.⁴⁷

FHLBank	2023 Voluntary Awards and Grants, and Subsidized Advances
Boston	Awarded \$15 million in voluntary funds and subsidized advances: \$5.1 million under the Housing Our Workforce Program supporting 219 home purchases; \$5.4 million in advances under the Jobs for New England program funding 115 small business projects; and \$2.5 million under the Lift Up Homeownership special purpose credit program supporting 51 home purchases. Also awarded \$2 million in voluntary AHP funding.
New York	Awarded approximately \$23.2 million in voluntary funds and subsidized advances: provided \$2.4 million in interest rate credits under its Zero Percent Development Advance program; over \$5.3 million through the Small Business Recovery Grant program to support 1,003 small businesses and nonprofits; and \$2.9 million in additional charitable grants to 16 different recipients to support a wide range of priorities in the district. Also awarded approximately \$12.6 in voluntary AHP contributions in 2023.
Pittsburgh	Awarded approximately \$19.2 million in voluntary funds and subsidized advances: \$7.5 million in Banking On Business loans, which included \$4.3 million in loans made to minority- and women-owned small businesses under the Banking On Business Inclusion & Equity fund; \$223,000 under the Blueprint Communities initiative supporting six communities in West Virginia; \$3.5 million under its Home4Good program supporting 79 homeless services providers; and \$8 million under its Voluntary Housing Grant initiative towards 13 projects supporting 343 affordable homes.
Atlanta	Awarded approximately \$19.5 million in voluntary funds: \$8.3 million for the Multifamily Housing Bridge Fund which funded 28 projects; and \$11.2 million as an additional contribution to the FHLBank’s AHP Homeownership set-aside program which assisted 840 households.
Cincinnati	Awarded approximately \$7.9 million in voluntary funds and subsidized advances: over \$6.4 million through the Carol M. Peterson Housing Fund to assist 539 households with accessibility rehabilitation and emergency repairs; over \$1 million through the Disaster Reconstruction Program to 66 households; and \$500,000 in Zero Interest Fund loans to five projects.

⁴⁷ Dollar amounts in this table of voluntary initiatives represent a cash accounting of funds in 2023 rather than accrued expenses during the year.

ADDITIONAL PROGRAMS, ACTIVITIES, AND FUNDING OF THE AHP

FHLBank	2023 Voluntary Awards and Grants, and Subsidized Advances
Indianapolis	Awarded approximately \$8.9 million in voluntary funds: \$705,000 for the Elevate Small Business Grant program that funded 38 small businesses; \$20,000 for the Community Mentors program; \$1.4 million to the homeownership set-aside program assisting 146 households; \$2.3 million for the HomeBoost Minority special purpose credit program that provided downpayment assistance to 159 first-time homebuyers of color; and an additional voluntary contribution of \$4.4 million to the FHLBank’s AHP General Fund supporting 10 additional projects and nearly 300 units.
Chicago	Awarded approximately \$24.9 million in voluntary funds: \$15.7 million to the Downpayment Plus Bridge program with grants to 1,600 households; \$2.1 million to the Community First Housing Counseling Resource Program awarded to 30 HUD-approved housing counseling agencies; approximately \$2 million to the Community First Diverse Developer Initiative awarded to 10 affordable housing development organizations; \$4.3 million for Community First Accelerate Grants that supported 172 small businesses; and \$750,000 in Community First Fund lending to non-depository CDFIs.
Des Moines	Awarded approximately \$25 million in voluntary funds: \$15 million under its Member Impact Fund to support affordable housing and community development initiatives; \$5 million in Maui wildfire relief efforts; and \$5 million in addition voluntary funding for the AHP General Fund which supported seven additional projects with 246 units.
Dallas	Awarded approximately \$7.7 million in voluntary funds and subsidized advances: \$3.5 million under the Small Business Boost program to 46 small businesses; \$2.2 million under the Small Business Recovery Grant program to 109 small businesses damaged due to severe weather; about \$905,000 to 21 organizations through the Heirs’ Property Program; \$400,000 under the Partnership Grant Program to 43 community-based organizations; \$400,000 in re-roofing funds to 30 homeowners under the Fortified program; \$250,000 in Housing Assistance for Veterans awards to 21 military families ; and \$56,000 for housing recovery grants to FHLBank member employees who suffered financial losses due to severe weather.
Topeka	Awarded \$3 million in voluntary funds under its Native American Housing Initiatives (NAHI) Grants Program to eight different recipients.
San Francisco	Awarded approximately \$15.5 million in voluntary funds: \$4 million under the Access to Housing and Economic Development (AHEAD) program to 75 different projects; \$780,500 under the Empowering Black Homeownership matching grant program; \$10 million under the Middle-Income Downpayment Assistance Program to assist 216 first-time homebuyers; \$240,000 in grants to the Nevada Housing Coalition; and \$500,000 in grants through its Tribal Nations Program.

Note: AHP performance described in the previous sections includes voluntary FHLBank AHP contributions above the required annual statutory contribution amount.



Emmie June Cove

Emmie June Cove received AHP General Fund subsidy. The project is a multi-family rental development, with two- and three-bedroom residential units in duplex-style buildings in rural Chandler, Indiana. All units feature at least one zero-step entrance and 34-inch-wide passage doors. (Source: Indianapolis FHLBank)

COMMUNITY DEVELOPMENT FINANCIAL INSTITUTIONS

Community Development Financial Institutions (CDFIs) are financial intermediaries certified by the CDFI Fund within the U.S. Department of the Treasury. CDFIs assist underserved communities, and their activities include promoting economic development and affordable housing and providing community development financial services and other basic banking services.

Prior to the enactment of HERA in 2008, only CDFIs that were federally insured depositories (such as banks, thrifts, and credit unions) were eligible to apply for membership in an FHLBank. HERA authorized FHLBank membership eligibility for non-depository CDFIs, including community development loan funds and venture capital funds that demonstrate a commitment to housing finance and meet other membership eligibility requirements.

Membership in an FHLBank provides non-depository CDFIs access to long-term FHLBank funding, which can increase their ability to promote economic growth and stability in low- and moderate-income communities. Since FHFA issued its 2010 final rule implementing the HERA membership eligibility requirements for non-depository CDFIs, the number of non-depository CDFI members has increased across the FHLBank System. As of December 31, 2023, 71 non-depository CDFIs were FHLBank members (all FHLBanks had at least two non-depository CDFI members). This is an increase from 70 members in 2022 (see Figure 24). Non-depository CDFIs include Native American non-depository CDFIs. There are currently three Native American non-depository CDFIs: Lake Superior Community Development Corporation, a member of the FHLBank of Indianapolis; Wisconsin Native Loan Fund, a member of the FHLBank of Chicago, and Cook Inlet Lending Center, a member of the FHLBank of Des Moines.⁴⁸

Non-depository CDFI members' outstanding FHLBank advance balances were approximately \$336.2 million at year-end 2023, an increase from about \$272.4 million at year-end 2022.⁴⁹ Figures 24 and 25 show the growth in the number of CDFI members and the advances volumes from 2012 through 2023.

Non-depository CDFIs provide critical support for affordable housing and community development activities in underserved areas. However, for a variety of reasons, they may have difficulty accessing and fully benefiting from FHLBank System membership, products, and services. The FHLBank System at 100: Focusing on the Future report, issued by FHFA in November 2023, includes recommended actions to improve collateral haircut and collateral management policies

48 The CDFI Fund maintains a list of self-declared Native American CDFIs.

49 These advances constitute less than 0.05% of the advances daily average at the FHLBanks in 2023.

COMMUNITY DEVELOPMENT FINANCIAL INSTITUTIONS

and to enhance access to advances by non-depository CDFIs and other mission-oriented members. In the report, the Agency commits to evaluating how the FHLBanks could provide financial incentives in a safe and sound manner to members with a strong and demonstrable connection to the housing and community development mission of the System.

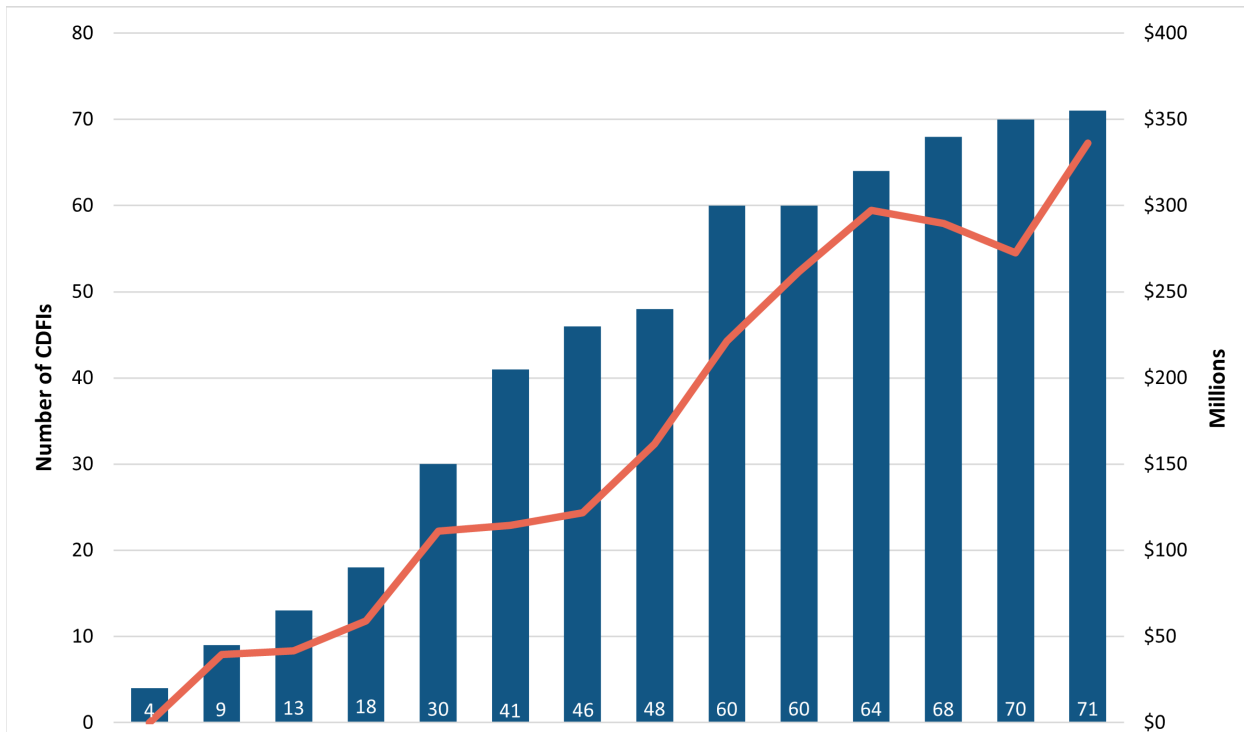
In June 2024, the Agency hosted an FHLBank-CDFI Symposium. The Symposium provided an opportunity for representatives from CDFIs and the FHLBank System to learn from each other and explore opportunities for CDFIs to benefit more fully from the FHLBank System.

Figure 24: Non-Depository CDFI Members per FHLBank (2022 and 2023)

FHLBANK	2022	2023
Boston	4	3
New York	9	9
Pittsburgh	2	2
Atlanta	13	13
Cincinnati	7	7
Indianapolis	4	4
Chicago	7	7
Des Moines	6	6
Dallas	7	7
Topeka	4	4
San Francisco	7	9
Total	70	71

Source: FHFA Membership System

Figure 25: Non-Depository CDFI Members and Advances (2012 - 2023)



Bethlehem Haven Women’s Supportive Housing

Bethlehem Haven Women’s Supportive Housing in Pittsburgh, Pennsylvania, is a facility that provides long-term residential supportive housing for women who may not be capable of living independently or have been experiencing long-term housing instability. The facility received AHP subsidy for significant renovations needed to adequately serve this population. (Source: Pittsburgh FHLBank)

HOUSING GOALS

FHFA's FHLBank housing goals regulation establishes two goals that the FHLBanks must meet each year, a mortgage purchase goal and a community-based AMA user goal.⁵⁰ Under the mortgage purchase goal, at least 20 percent of an FHLBank's AMA mortgage purchases each year must be for some combination of low-income families, very low-income families, or families in low-income areas, provided that no more than 25 percent of the AMA mortgages counting towards this 20 percent are for borrowers with incomes in excess of 80 percent of AMI. Under the community-based AMA user goal, at least 50 percent — or at least three percent higher than the prior year's performance — of the participating financial institutions from which an FHLBank acquires AMA mortgages in a given year must have total assets at or below a specified threshold. That threshold, which is established in, and adjusted annually by FHFA pursuant to, the housing goals regulation, was \$1.417 billion in 2023. The housing goals regulation allows an FHLBank to establish alternative targets for either the mortgage purchase goal or community-based AMA user goal, or both, subject to FHFA approval. No FHLBank requested an alternative target for either goal in 2023.

Nine FHLBanks purchased mortgages through AMA programs in 2023. Six of the nine FHLBanks met the mortgage purchase goal (see Figure 26a), and all nine FHLBanks met the community-based AMA user goal (see Figure 26b).

50 See 12 CFR part 1281.

Figure 26a: 2023 FHLBank Mortgage Purchase Housing Goal Performance

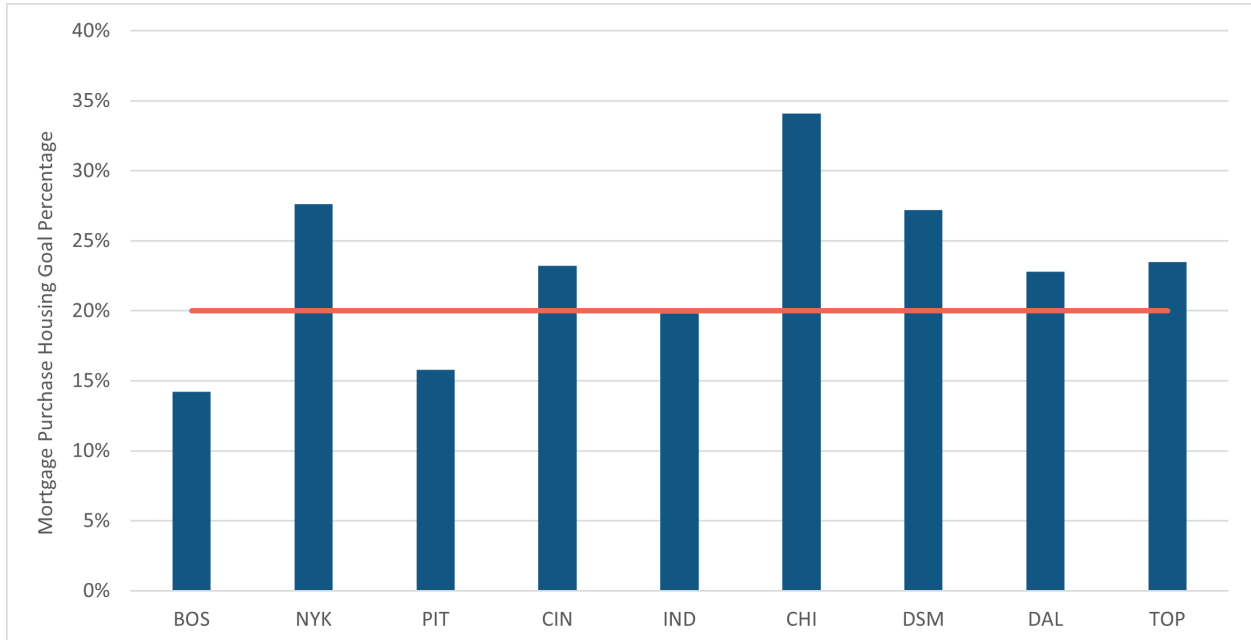
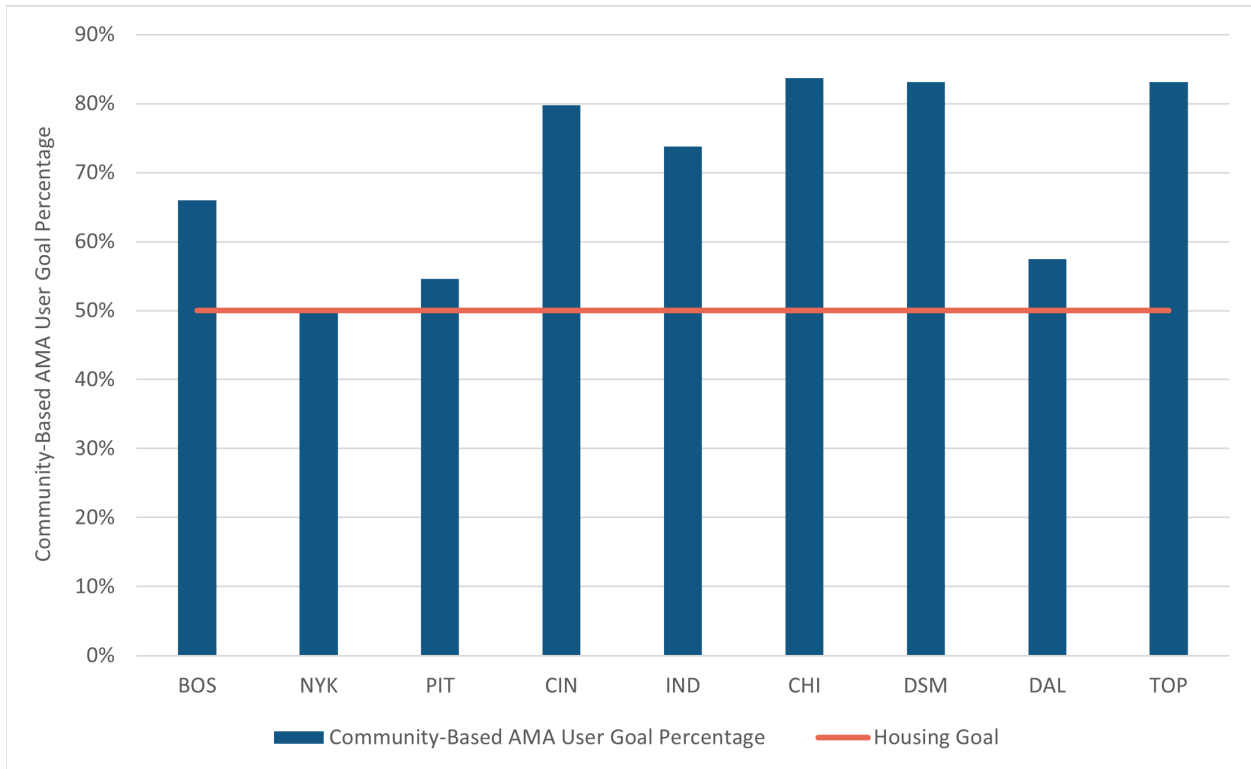


Figure 26b: 2023 FHLBank Community-Based AMA User Goal Performance



APPENDIX 1: 2023 FHLBANK ADVISORY COUNCIL REPORTS

Below are selected highlights from the 2023 FHLBank Advisory Council Reports provided by the FHLBanks' Advisory Councils to FHFA. The summaries include brief descriptions of AHP projects, CIP projects, CICA projects, and other FHLBank community initiatives highlighted in the Advisory Council Reports.^{51,52}

The **Boston FHLBank Advisory Council Report** includes extensive detail on the FHLBank's AHP, including AHP grants and subsidized advances provided from 1990 through 2023. The report also includes 2023 AHP General Fund data on approved projects. Specifically, the report includes the total amount of 2023 General Fund awards by state (including grants and subsidized advances), and the total number of units assisted by the General Fund in 2023. Additional details on these 2023 projects are contained in the report, including project funding and number of units provided by each project. The report also includes a similar summary for the FHLBank's AHP homeownership set-aside program, providing data on the total amount of grants and number of units assisted by the program from 2003-2023, as well as FHLBank member participation in the program.

In addition, the Advisory Council report includes highlights of the FHLBank's Affordable Housing Development Competition, as mentioned earlier in this report, with descriptions of 2023 winning proposals. Aucella Court Homes, the first-place winner, is a proposal designed to transform an underutilized municipal parking lot in Revere, Massachusetts, into a family-centered complex with townhouses, affordable apartments, a greenspace courtyard, and ground-floor commercial space. The Bridge, the second-place winner, is a proposal to create a mixed-use supportive community within a five-minute walk from downtown Salem, Massachusetts. Walnut Park Place, the third-place winner, is a proposal to develop 22 new one-to-three-bedroom condominiums affordable to households earning between 80 percent and 100 percent of AMI and seven market-rate units in the Egleston Square section of Roxbury, Massachusetts.

The Advisory Council report also includes a description of the FHLBank's voluntary programs, as described earlier in this report, including data highlighting performance of the FHLBank's voluntary programs, Housing Our Workforce and Jobs for New England.

51 See 12 U.S.C. § 1430(j)(12)(A), (B). The statute states that each Advisory Council shall submit annually to FHFA an analysis of its FHLBank's low-income housing activity. The statute further states that FHFA shall monitor and report annually to the Advisory Council for each FHLBank on the support of low-income housing and community development by the FHLBanks and the use of FHLBank advances for these purposes, and the Advisory Councils' analyses shall be included in the report.

52 The Advisory Council Reports are required to be published on the FHLBanks' websites within 30 days after the date of their submission to FHFA. 12 C.F.R. § 1291.14(d)(3)(ii).

The **New York FHLBank Advisory Council Report** includes extensive data related to the FHLBank's affordable housing and community development activities, including AHP and advance programs. Regarding the FHLBank's AHP General Fund, the report includes a summary of 2023 project awardees, including the project sponsor and FHLBank member associated with the project. The report also includes trends in the FHLBank's General Fund since 1990, such as total subsidy and total projects awarded each year and AHP subsidy as a percentage of total development costs. The report also provides program data related to the FHLBank's homeownership set-aside program, such as number of grants and total program funds awarded since 2019. The report additionally provides an analysis of the median purchase price of a home and median household income associated with the FHLBank's homeownership set-aside program grants. The report further provides detailed data on the FHLBank's CIP and CICA advance programs, including CIP and CICA funding each year since 2019.

The report also provides detailed data on other FHLBank advance programs such as: the Climate Development Advance, which finances lending aimed at energy resilient or efficient investments that support environmental initiatives; the Infrastructure Development Advance, which finances lending and investment to support local infrastructure development; and the Business Development Advance, which finances lending aimed at small businesses.

In addition, the report highlights the FHLBank's voluntary charitable contributions, as described earlier in this report. The report describes how the FHLBank aims to increase outreach and impact in the U.S territories within the FHLBank's district. The St. Croix Foundation received two charitable contribution grants totaling \$250,000 from the FHLBank to assist with revitalizing the historic Sunday Market Square in downtown Christiansted, St. Croix, in the U.S Virgin Islands. The report notes that Sunday Market Square is sits in a census tract where more than 51 percent of the residents are low- and moderate-income, and over 70 percent identify as Black or African American.

The report also highlights that the FHLBank awarded \$220,000 in charitable contributions to the Hispanic Federation, a mission-based organization located in Puerto Rico. The project promotes sustainable coastal economies and food security by ensuring stable and uninterrupted power that is independent of the energy grid and supports local economic development.

The **Pittsburgh FHLBank Advisory Council Report** highlights that in 2023, the FHLBank continued its innovative community investment programs. The report describes that in 2023, the FHLBank began creating a new Special Purpose Credit Program designed to offer a means to home-

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ownership for an underserved population. The program, First Front Door Keys to Equity fund, will launch in 2024, offering minority and/or first-generation, first-time homebuyers earning up to 120 percent of AMI an opportunity to purchase a home.

The report notes that the FHLBank's member, Community First Fund, was awarded the FHLBank's 2023 Diversity, Equity and Inclusion Membership Award. This annual award is designed to celebrate efforts by FHLBank members to create and implement innovative diversity, equity, and inclusion programs and initiatives. Community First Fund received the award for its Economic Justice Fund Program, which serves under-resourced communities, including immigrants, low-income individuals, women, and people of color. The report also notes that Artisans' Bank and Clear Mountain Bank received the FHLBank's 2023 Pillars of the Community Award in recognition of their outstanding accomplishments serving their communities.

The report also includes data describing awards and households assisted by the FHLBank's 2023 AHP General Fund and homeownership set-aside program. In addition, the report includes data on performance related to the FHLBank's voluntary programs described above, such as the BOB, BOBIE, Home4Good, the Voluntary Housing Grant Initiative, and Blueprint Communities. The report also includes discussion of corporate social responsibility measures such as FHLBank governance; FHLBank diversity, equity, and inclusion; and FHLBank environmental sustainability efforts.

The **Atlanta FHLBank Advisory Council Report** highlights Miami-based Northside Commons, an AHP General Fund project. The project was completed in 2023, providing 72 affordable rental units, 56 of which were reserved for individuals with severe mental illness and 16 units of which were reserved for homeless households. The report also spotlights Virginia Meadows Apartments, an AHP General Fund project. The rehabilitation project, in Montgomery, Alabama, was also completed in 2023, providing 167 affordable units and community amenities. Additional AHP General Fund projects completed in 2023 and highlighted in the report were: Restoration House, an Atlanta-based shelter for women and children; Chautauqua Park West, which provided 69 affordable rental units in Garrett County, Maryland; and Ox Fibre Brush Factory, which rehabilitated 83 affordable housing units in Frederick, Maryland.

The report also contains data metrics, including the FHLBanks' 2023 AHP General Fund awardees by type of project (rental or owner-occupied), percentage of AHP General Fund applications received by state, and percentage of 2023 projects that received scoring points for new or revised scoring categories. New or revised scoring categories for the FHLBank's AHP General

Fund in 2023 included the following: construction readiness criteria were added to the FHLBank's project readiness category; under the FHLBank's enhanced broadband access category, the threshold broadband speed became a requirement for receiving points in that category; the Heirs' property resolution category was amended from a fixed to a variable points scoring category with points available under five particular resolution categories; and a Difficult Development Area category was added, which provided scoring points for projects located in a Difficult Development Area as designated by HUD.

The report also contains data on the FHLBank's AHP homeownership set-aside program, CIP and CICA programs, and outreach for its community programs such as the AHP and CICA. That outreach included events where the target audiences were Minority Depository Institutions (MDIs) and Low-income Designated Credit Unions. The report also notes that in 2023, the FHLBank's goals included the design and implementation of knowledge-sharing strategies in a cooperative, efficient, and effective manner. These strategies are intended to enhance the capacity and expertise of the FHLBank's members to generate community development loans. The report details that, in 2023, the FHLBank leveraged knowledge-sharing opportunities to enhance the capacity of its MDI members to respond to community lending credit needs in their markets. The FHLBank sponsored events with MDIs to further develop this capacity, and additional events with Minority Serving Organizations to connect them with FHLBank members and further encourage support of minority communities throughout the FHLBank's district. The report also includes an extensive list of events the FHLBank conducted to educate FHLBank members on the FHLBank's AHP and other products.

In addition, the report includes discussion of the FHLBank's voluntary programs previously described in this report.

The **Cincinnati FHLBank Advisory Council Report** spotlights I PROMISE Housing. The housing development, which works in conjunction with the LeBron James Family Foundation's I PROMISE Program, received an AHP General Fund award for new housing construction. The I PROMISE Program was created from James' commitment to support youth and student success in his hometown of Akron, Ohio. The program features a school and other co-curricular support such as providing daily food resources and family educational assistance, with stable housing for students and their families also identified as a clear area of need. The housing development is expected to include support services such as financial coaching, weekly visits from the local library's bookmobile, and cooking classes. The report notes that the 50-unit building is reserved for those in need, with all residents at or below 60 percent of AMI. Around 25 percent of fami-

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lies living in I PROMISE Housing are enrolled at the I PROMISE School, which is developing a new model for urban public education.

The report also includes a summary of the FHLBank's 2023 AHP General Fund awards by state, including FHLBank member and sponsor involved in the project, project name and location (city and state), number of project units, type of project (ownership or rental), and amount of subsidy awarded.

Additionally, the report details the FHLBank's voluntary programs, as described earlier in this report, such as the Disaster Reconstruction program's impact in 2023, including support of eastern Kentucky's flood recovery from 2022 floods, as well as the Carol M. Peterson Housing Fund's 2023 performance.

The **Indianapolis FHLBank Advisory Council Report** provides summary statistics about the FHLBank's 2023 AHP General Fund awards, such as amount awarded, number of projects, and number of units. It highlights Shelby Trails, in rural Oceans County, Michigan. The project received an AHP General Fund award to assist in providing 15 units of affordable, permanent, supportive housing for adults experiencing homelessness, disabilities, or domestic violence.

Additionally, the report provides descriptions of the FHLBank's homeownership initiatives, including summary statistics for the FHLBank's AHP homeownership set-aside program in 2023, such as total subsidy awarded and number of households assisted. The report also describes and provides 2023 performance metrics for the Accessibility Modification Program, an FHLBank AHP homeownership set-aside program that provides grants of up to \$10,000 for repairs and modifications to increase accessibility for low- or moderate-income senior homeowners (defined as 62 years of age or above) or households that include a person with a physical disability. The report also highlights HomeBoost, a voluntary homeownership program previously described in this report.

In addition, the report includes a description of the FHLBank's community engagement and economic development initiatives, stating that the FHLBank's goal with these initiatives is to empower local leaders to build stronger and more resilient communities through sustained growth and economic development. The report highlights the FHLBank's Money Masters Scholarship Program, a three-year scholarship program focused on increasing financial literacy and other established criteria. The FHLBank partners with selected FHLBank members and community organizations to deliver financial literacy education to young adults, who are then eligible for

scholarship funds. Additionally, the report details the Elevate Small Business Grant program, including amounts awarded and total projects, and the Community Mentors program, including 2023 program recipients from Indiana and Michigan, as previously described in this report.

The **Chicago FHLBank Advisory Council Report** highlights the André Apartments, an AHP General Fund awardee that was named in honor of André Brown, a community leader who passed away in 2022. The project features 38 affordable housing units, with nine specifically designated for residents with disabilities, and an Early Childhood Education (ECE) center on the ground floor. The ECE center includes community rooms, a commercial kitchen, multiple classrooms, and a nature-based playground. The report notes that the community-integrated housing provides more independence for residents with disabilities and fosters interactions with those without disabilities.

The report also provides summary statistics for the FHLBank's 2023 affordable housing and community investment programs, including AHP General Fund, the AHP homeownership set-aside program, funding for the FHLBanks voluntary programs such as the Community First Diverse Developer initiative as previously described in this report, and performance of the FHLBank's advance programs, such as total funding and households assisted. The advance programs described include Community Development Advances, Community Housing Advances, and Community Small Business Advances, as previously described in this report.

The **Des Moines FHLBank Advisory Council Report** describes how, for several years, economic dynamics such as labor shortages, supply chain disruptions, and, more recently, increasing interest rates have put significant pressure on costs for affordable housing acquisition, development, and rehabilitation. The report notes that these factors have also reduced affordability for low- and moderate-income, first-time, and Native American homebuyers and that, in response, the FHLBank's Advisory Council recommended FHLBank program changes for 2024. All of the changes were approved by the FHLBank's board of directors. These changes include increasing the maximum permissible AHP General Fund award per project from \$1 million to \$3 million, and on a per-unit basis from \$50,000 to \$150,000, as well as increasing the maximum permissible grant under the FHLBank's AHP Home\$tart homeownership set-aside program from \$7,500 to \$15,000 per eligible household and to \$25,000 for households in Hawaii. In addition, the maximum permissible grant under the FHLBank's Native American Homeownership Initiative (NAHI) — an AHP homeownership set-aside down payment assistance program that targets Native Americans, Alaska Natives and Hawaiian Natives — was increased from \$15,000 to \$25,000 per eligible household.

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The report also highlights that the FHLBank's district is home to approximately 30 percent of the U.S. Native American population: of the 574 federally recognized tribes, 311 are in the FHLBank's district. The report notes that the FHLBank's Advisory Council recommended, and the FHLBank's board of directors approved, the continuation of Native American housing as a district priority in the FHLBank's AHP General Fund scoring system. The report highlights that in 2023, 60 percent of AHP General Fund applicants that requested Native American Housing scoring points received General Fund awards. The report also notes that in further support of Native American communities, the Advisory Council recommended and the FHLBank's board of directors approved an allocation of \$600,000 to the NAHI for 2024, up from \$400,000 in 2023.⁵³

The report also provides an overview and performance of the FHLBank's voluntary Member Impact Fund, as well as the disaster relief funding to support the Hawaiian island of Maui, as previously described in this report.

The **Dallas FHLBank Advisory Council Report** provides summary data for the FHLBank's affordable housing and community investment programs, including the AHP and voluntary programs, as well as providing program highlights for some of the voluntary programs discussed previously in this report. The report provides data on the FHLBank's 2023 AHP General Fund awards, and program performance from 1990 through 2023. It also provides detailed data on each 2023 AHP General Fund project, including city and state, FHLBank member involved, project sponsor name, amount of AHP subsidy awarded, and number of units. AHP homeownership set-aside program grants information is also provided both for 2023 and for 1990 through 2023 for the FHLBank's two AHP set-aside programs: the Homebuyer Equity Leverage Partnership program and the Special Needs Assistance Program.

The report also notes that the FHLBank's 2023 statutory contribution to the AHP General Fund was nearly double that of the previous year. This funding supported 43 projects that assisted 2,677 housing units, with 67 percent of these units supporting very low-income individuals.

⁵³ The FHLBank's board of directors subsequently approved an additional allocation to NAHI, after the publication of the Advisory Council report, to bring the 2024 allocation to NAHI to \$1 million.

The **Topeka FHLBank Advisory Council Report** highlights a project that received a grant through the FHLBank’s voluntary NAHI program described previously in this report. Specifically, Cherokee Nation received a \$500,000 grant to help build a community center for tribal elders. The community center is a critical need for elders living in rental housing managed by the Housing Authority of the Cherokee Nation, according to the report. Along with offering a gathering place for residents, the center will include a storm shelter. Currently, the closest shelter is several miles away from the housing complex. Additionally, the report notes that traditional in-ground shelters are not suitable for residents with mobility issues. This shelter will be above ground to serve all residents, and the gathering place will offer hands-on activities to build a sense of community.

The report also highlights the Valor on the Fax project, in Denver, Colorado, that received an AHP General Fund award for rental housing construction. The apartment complex has 72 units, providing single and family occupancy, a front desk staffed 24 hours a day seven days a week, communal spaces, and nearby transportation. The project focuses on residents who have suffered traumatic injuries to the brain, with trauma-informed development efforts including subdued lighting, use of calming colors, and noise-reducing materials.

The report also highlights the use of the FHLBank’s CICA advances for a local water district in rural Kansas. The report notes that aging infrastructure and increased demand for a quality water supply cause rural water districts to need help finding solutions to finance improvements. The CICA advances funded two phases of improvement for the Rural Water District #4 in Neosho County, Kansas. The first phase involved the construction of a new water tower and pumping station, and expanded distribution in the area. The second phase is to improve infrastructure by replacing, enlarging, and repairing the existing system.

The report also includes data and charts on the FHLBank’s affordable housing and community investment programs, including the FHLBank’s AHP General Fund and voluntary programs. The AHP General Fund data include program funding and number of projects by state from 2019 through 2023. The AHP homeownership set-aside program data include grants from 2017 through 2023, grants by state, and analysis of the grants by high-cost areas. The report states that high-cost areas are counties in which 115 percent of the local median home value exceeds the baseline conforming loan limit as established by FHFA annually.

The **San Francisco FHLBank Advisory Council Report** includes a discussion of persistent affordable housing challenges, including: the increasing population of unhoused people; an inade-

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quate supply of affordable housing options for very low-, low-, and moderate-income renters; and the millions of families and individuals priced out or otherwise left out of homeownership. The report states that the three states in the FHLBank's district — California, Nevada, and Arizona — are among the five states in the country with the lowest availability of affordable homes for extremely low-income renters.

The impact of climate change on housing is also discussed with the report detailing that as the frequency and severity of natural disasters increase, insurance premiums for properties in high-risk areas are rising and energy costs are skyrocketing in the FHLBank's district. The report states that these trends can make both renting and owning less affordable, particularly for low- and moderate-income individuals and families who may struggle to afford higher insurance and energy costs.

The report discusses particular housing challenges in each state of the FHLBank district, including the expanding homeless population in Arizona, high rents and home prices in California, and renter cost burdens in Nevada. The report also describes various policy and legislative initiatives in each state, such as allowing backyard homes in Arizona, budgeting for adaptive reuse of underutilized commercial spaces in California, and streamlining the approval of affordable housing along with addressing regulatory challenges to help more affordable housing projects move forward in Nevada.

The report details the programs that the FHLBank has undertaken to invest in communities throughout its district, describing program funding and units assisted by both the FHLBank's 2023 AHP General Fund and AHP homeownership set-aside program, as well as its Targeted Fund, which aims to address affordable housing needs in Nevada.

Additionally, the report details the performance of the FHLBank's voluntary programs described previously in this report.

APPENDIX 2: HISTORICAL AHP DATA

AHP Funding Allocations: Figure A shows the percentage of total AHP funding allocated by the FHLBanks to their set-aside programs, AHP General Funds, and Targeted Fund, from 2003 to 2023.

Figure A: AHP Funding Allocations to the FHLBanks' Set-Aside Programs, General Funds, and Targeted Fund (2003 – 2023)

Year	Set-Aside Allocation (in Millions)	Set-Aside Allocation as a Percentage of AHP Allocation	General Fund and Targeted Fund Allocation (in Millions) ^a	General Fund and Targeted Fund as a Percentage of AHP Allocation ^a
2003	\$28.5	17%	\$138.9	83%
2004	\$41.3	19%	\$176.2	81%
2005	\$38.5	17%	\$188.2	83%
2006	\$50.9	18%	\$232.1	82%
2007	\$50.0	17%	\$243.9	83%
2008	\$63.8	20%	\$255.3	80%
2009	\$41.4	22%	\$146.9	78%
2010	\$46.5	18%	\$212.0	82%
2011	\$47.9	21%	\$180.2	79%
2012	\$51.1	27%	\$138.2	73%
2013	\$62.3	21%	\$234.5	79%
2014	\$79.2	27%	\$214.1	73%
2015	\$70.0	26%	\$199.2	74%
2016	\$84.3	26%	\$240.0	74%
2017	\$91.4	24%	\$295.3	76%
2018	\$91.1	25%	\$269.2	75%
2019	\$108.6	27%	\$295.4	73%
2020	\$102.3	28%	\$258.1	72%
2021	\$91.8	29%	\$221.0	71%
2022	\$64.2	32%	\$134.7	68%
2023	\$97.3	27%	\$257.9	73%

Note: Totals do not include voluntary contributions

^a Targeted Funds were authorized in 2018. The first allocation to a Targeted Fund was in 2023, which constituted approximately one percent of the 2023 total AHP allocation.

APPENDIX 2: HISTORICAL AHP DATA

AHP General Fund Projects: Figure B provides an overview of AHP General Fund rental and owner-occupied projects funded from 1990 to 2023. Over this period, approximately 79 percent of all AHP General Fund units were rental units, and approximately 63 percent of all AHP General Fund projects were rental projects. Additionally, about 83 percent of AHP-assisted units serving very low-income households from 1990 to 2023 were rental units, and 17 percent were owner-occupied units.

Figure B: AHP General Fund Projects Overview (1990 – 2023)

	Rental Projects		Owner-Occupied Projects		Total Projects
Total Number of Awarded Projects	12,575	63%	7,235	37%	19,810
Funds Awarded	\$5 billion	79%	\$1.3 billion	21%	\$6.3 billion
Housing Units	634,573	79%	168,711	21%	803,284
Housing Units Serving Very Low-Income Households	470,394	83%	97,491	17%	567,885

Urban/Rural Demographics: Figure C details AHP General Fund projects located in urban or suburban areas, as well as those located in rural areas, from 1990 to 2023. Approximately 66 percent of AHP projects awarded were located in urban or suburban areas, and approximately 34 percent of the projects were located in rural areas. Seventy-seven percent of AHP-assisted units serving very low-income households were located in urban or suburban areas, while 23 percent were located in rural areas. Over the 1990 through 2023 period, on average, urban or suburban projects had more units per project (46) than rural projects (30). Units in rural projects, however, received a higher average AHP subsidy per unit (\$8,344) than units in urban or suburban projects (\$7,618).⁵⁴

⁵⁴ As stated previously, FHFA receives data from the FHLBanks on rural projects for those projects that receive scoring points for rural housing. This does not capture all AHP General Fund rural projects, as some of these projects are located in rural areas but are not scored on that feature by some FHLBanks. In addition, an AHP project is regarded in this report as “urban or suburban” if it did not receive points as a rural project.

Figure C: AHP General Fund Projects Serving Urban/Suburban and Rural Areas (1990-2023)

	Urban or Suburban Projects		Rural Projects		Total Projects
Total Number of Awarded Projects	13,198	67%	6,612	33%	19,810
Funds Awarded	\$4.6 billion	74%	\$1.6 billion	26%	\$6.3 billion (see note)
Housing Units	606,927	76%	196,357	24%	803,284
Housing Units Serving Very Low-Income Households	435,906	77%	131,979	23%	567,885
Average Number of Units per Project	46	N/A	30	N/A	41
Average AHP Subsidy per Unit	\$7,618	N/A	\$8,344	N/A	\$7,796

Note: Funds awarded dollars are rounded

APPENDIX 3: AHP GENERAL FUND PROJECTS

Under the AHP regulation, an FHLBank is required to allocate 100 scoring points under its General Fund among the following scoring criteria:

1. Project use of donated or conveyed government-owned or other properties
2. Sponsorship by a not-for-profit organization or government entity
3. Home purchase by low- or moderate-income households⁵⁵
4. Targeting of project's units to designated lower-income households
5. Underserved communities and populations (housing for homeless households; housing for special needs populations; housing for other targeted populations; housing in rural areas; or rental housing for extremely low-income households)
6. Creating economic opportunity (promotion of empowerment; or residential economic diversity)
7. Community stability, including affordable housing preservation
8. FHLBank district priorities (one or more housing needs in the FHLBank's district, as defined by the FHLBank, that the FHLBank has not otherwise adopted in its scoring framework)

Figure D outlines these scoring criteria and scoring point allocations for each FHLBank in 2023.

⁵⁵ If an FHLBank does not allocate at least 10 percent of its total AHP statutory funding contribution to the set-aside program, then the FHLBank is required to include this scoring criterion in its General Fund scoring framework and allocate a minimum of 5 points to it. Otherwise, it is not required to allocate a minimum of 5 points to this criterion, although it may choose to do so voluntarily.

Figure D: 2023 FHLBank General Fund Scoring Points Allocations

	Government-Owned or Other	Non-Profit or Government Sponsorship	Home Purchase	Targeting	Underserved Communities and Populations	Creating Economic Opportunity	Community Stability	District Priorities
Boston	5	5	5	20	10	11	17	27
New York	5	7	-	20	12	10	10	36
Pittsburgh	5	5	-	20	25	10	16	19
Atlanta	5	5	-	20	5	7	8	50
Cincinnati	5	7	6	20	18	5	7	32
Indianapolis	5	7	-	20	16	5	7	40
Chicago	5	5	-	20	20	5	16	29
Des Moines	5	10	-	20	25	5	12	23
Dallas	5	5	-	20	15	5	15	35
Topeka	5	5	5	20	15	10	10	30
San Francisco	5	7	6	20	19	5	14	24

Source: 2023 FHLBank AHP Implementation Plans.

Figure E highlights the projects serving special needs and/or households experiencing homelessness under the Underserved Communities and Populations scoring category that were approved under the FHLBanks’ AHP General Funds in 2023, as labeled below.⁵⁶ For example, the highlighted row in red shows that in addition to serving households experiencing homelessness, two projects served all of the types of special needs populations listed in the AHP regulation except for housing visitable by the physically disabled. The last row, highlighted in blue, shows that 104 projects did not serve special needs households or households experiencing homelessness.

⁵⁶ To receive scoring points for special needs under the AHP regulation’s scoring system, a project must reserve at least 20 percent of the units for households with specific special needs, as identified in the FHLBank’s AHP Implementation Plan. To receive scoring points for households experiencing homelessness under the AHP regulation’s scoring system, a project (excluding an overnight shelter) must reserve at least 20 percent of the units for such households, create transitional housing for such households permitting a minimum of 6 months occupancy, or create permanent owner-occupied housing reserving at least 20 percent of the units for such households.

APPENDIX 3: AHP GENERAL FUND PROJECTS

Label Number	Special Need or Homelessness Addressed
1	Persons with Disabilities
2	Persons Recovering from Alcohol or Drug Abuse
3	Persons Experiencing Homelessness
4	Persons with HIV/AIDS
5	Elderly
6	Persons Recovering from Physical Abuse
7	Formerly Incarcerated Persons
8	Victims of Domestic Violence
9	Unaccompanied Youth
10	Housing Visitable by the Physically Disabled

Figure E: 2023 AHP General Fund Projects Serving Special Needs Households and/or Households Experiencing Homelessness

1	2	3	4	5	6	7	8	9	10	Total Projects
									X	5
				X						48
				X					X	5
		X								74
		X							X	2
		X					X			2
		X					X		X	2
		X				X				2
		X				X	X		X	2
		X			X					1
		X			X		X			1
		X		X						12
		X		X					X	1
		X		X			X		X	1
	X	X								7
	X	X			X		X			4
	X	X			X		X		X	1
	X	X			X		X	X		1
	X	X			X	X	X			1
	X	X			X	X	X		X	1
X										26
X							X			1
X				X						7
X				X					X	19
X				X			X			1
X				X			X		X	1

APPENDIX 3: AHP GENERAL FUND PROJECTS

1	2	3	4	5	6	7	8	9	10	Total Projects
X				X	X					1
X		X								29
X		X							X	5
X		X					X			3
X		X					X		X	1
X		X			X		X			1
X		X		X						10
X		X		X					X	1
X		X		X	X					3
X	X									1
X	X					X	X			1
X	X				X		X		X	1
X	X				X	X	X			1
X	X		X	X	X	X	X			3
X	X		X	X	X	X	X	X		4
X	X		X	X	X	X	X	X	X	16
X	X	X								4
X	X	X			X		X			2
X	X	X			X		X		X	3
X	X	X			X	X				1
X	X	X			X	X	X			6
X	X	X			X	X	X	X		1
X	X	X		X						2
X	X	X		X		X	X			2
X	X	X		X	X					3
X	X	X		X	X	X	X			2
X	X	X	X	X	X	X				1
X	X	X	X	X	X	X	X			1
X	X	X	X	X	X	X	X	X		2
										104

2023 REPORT
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