




RICK SNYDER  
GOVERNOR

STATE OF MICHIGAN  
MICHIGAN STATE HOUSING DEVELOPMENT AUTHORITY  
LANSING

GARY HEIDEL  
EXECUTIVE DIRECTOR

MEMORANDUM  
March 29, 2011

TO: Community Development Division Grantees

FROM: Bill Parker, Acting Director, Community Development Division 

RE: Federal Home Loan Bank of Indianapolis (FHLBI) funds for Homeowner Rehabilitation and Home Purchase Programs

The Federal Home Loan Bank of Indianapolis (FHLBI) has announced the availability of set-aside funds for Michigan and Indiana in 2011 (see attached Community Investment Bulletin from FHLBI). Funds are available for homeowner rehabilitation projects (Neighborhood Impact Program - NIP) and for home purchase projects (Homeownership Opportunities Program - HOP) and Neighborhood Stabilization Assistance (for homebuyers assisted with NSP funds).

**MSHDA strongly encourages all CD Grantees to access these funds and leverage them with CD dollars. Please read the bulletin and go to the FHLBI website below for more details.**

To access the funding, CD Grantees must partner with a financial institution that is a FHLBI Member. The FHLBI Member must complete the member registration process which includes completing the Homeownership Initiatives Programs Master Agreement and the 2011 Registration and Certification. Both the grantee and the member financial institution should also complete the mandatory training. Three webinars are scheduled for late March and April. See the attached FHLBI Bulletin and the FHLBI website for further details. The link to the webinar registration is <http://www.fhlbi.com/news/eventcal.asp>.

Please visit the FHLBI web-site for more information at [www.fhlbi.com](http://www.fhlbi.com).



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FROM: Bill Parker, Acting Director, Community Development Division 

RE: Incentive Fee to Federal Home Loan Bank Indianapolis (FHLBI) Member Banks to Provide Set-aside Funds to CD Funded Projects in 2011

MSHDA's Community Development Division encourages all CD grantees to partner with FHLBI member banks.

A requirement of the FHLBI for their members to participate in the set-aside programs is that they must:

- Complete a Master Agreement and registration form (with FHLBI)
- Attend a webinar training

The FHLBI does not provide any administrative fees for their member banks to process these loans, yet there is a fair amount of documentation required related to the set-aside funds.

These set-aside funds are extremely valuable to MSHDA for stretching the HOME, CDBG, and MSHDA funds awarded to CD Grantees, therefore we have decided to continue to offer a processing fee to FHLBI members for funding delivered to CD homeowner and/or homebuyer projects. **The fee we are willing to pay is \$100 for a FHLB loan of \$5,000 or less, and \$200 for a loan greater than \$5,000. This fee is of course optional, if the FHLBI member does not want the fee, we appreciate it.**

CD grantees will enter that fee (of \$100 or \$200) into the project proforma on OPAL in a field designated for that purpose. You will then draw the funds down through OPAL to pay the fee to the lender at or after the closing of the FHLB loan made available to the project.

We encourage you to contact the FHLBI member banks in your area to share this information with them and ask them to partner with you. (Lender list can be found at the FHLBI web-site [www.fhlbi.com](http://www.fhlbi.com))

If you have any questions, please contact your CD Specialist.



# Community Investment Bulletin

FEDERAL HOME LOAN BANK OF INDIANAPOLIS

8250 Woodfield Crossing Blvd. • Indianapolis, IN 46240 • P: 800-688-6697 • F: 317-465-0376  
Email: [housing@fhlbi.com](mailto:housing@fhlbi.com)

**Dates for 2011: Homeownership Initiatives Programs (HOP, NSA, NIP) Funding Release  
Bulletin No. 1105  
March 18, 2011**

The Federal Home Loan Bank of Indianapolis is looking forward to a successful 2011 and is pleased to announce funding availability for the Homeownership Initiative Programs, including the Homeownership Opportunities Program (HOP), the Neighborhood Stabilization Assistance Program (NSA) and the Neighborhood Impact Program (NIP). FHLBI will begin accepting disbursement requests on **April 15, 2011**. Please note that we have made a number of enhancements to our programs for 2011. For details about all of our 2011 programs, please see the Implementation Plan posted at [http://www.fhlbi.com/housing/imp\\_plan.asp](http://www.fhlbi.com/housing/imp_plan.asp).

**2011 Program Year Member Registration, Mandatory Training and Distribution of Starter Kits:**

**Member Registration:** (All members must register to participate in 2011)

- Complete the **Homeownership Initiatives Programs Master Agreement and 2011 Registration and Certification**, available at <http://www.fhlbi.com/housing/Hopnipforms.asp>
- Complete the 2011 mandatory training, in-person\* or webinar (see Important Dates below)
- HOP, NSA and NIP disbursement Starter Kits\*\* will be sent upon completion of above requirements

**Important Dates:**

- **March 29, 2011** First Webinar Training
- **April 15, 2011** Homeownership Initiatives Programs Funds Released
- **April 26, 2011** Second Webinar Training

For webinar training registration and future training dates, see <http://www.fhlbi.com/news/eventcal.asp>

\*Participants attending the February workshops in Michigan and Indiana will receive credit for training.

**\*\*We anticipate that the 2011 HUD Area Median Income Limits will not be published prior to our release of program funds. As such, please note that the starter kits will need to be revised once the income limits are published.**

For updated information and documents, visit our web site at <http://www.fhlbi.com> or call us at 800-688-6697. We look forward to partnering with you in 2011 and commend you for serving your communities.

Sincerely,

MaryBeth Wott

Vice President and Community Investment Officer