

# Educational Session on SBIC and FHLB Boston Housing and Community Development Programs

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**FHLBBoston**

# Federal Home Loan Bank of Boston



- The Bank is governed by a 18-member board of directors, all of whom are New Englanders.
- 449 members:
- \$33.4 billion in assets (12/31/2014)
- Provide highly reliable, competitively priced, wholesale funding to member financial institutions that facilitate housing and economic growth
  - Core product: “advances,” which are secured loans to members
  - Purchase fixed-rate, single-family mortgages (MPF)
  - Fund and administer targeted housing and community investment programs
  - Letters of credit
  - Correspondent services, including securities safekeeping

# Community Development Advance Programs

Fixed-rate financing for affordable housing and economic-development, mixed-use initiatives.

- Available through two separate application options that help support community development activities:
  - **CDA Extra** deeply discounted advance that supports affordable housing at or below 115 percent of AMI or economic development/mixed-use initiatives at or below 80 percent of AMI
  - **CDA** discounted advance that supports economic development and mixed use initiatives (including small business) that support geographic, individual, and activity beneficiaries in urban and rural census tracts up to 100 percent and 115 percent of AMI
  - Members are limited to \$50 million. Incorporates projects that meet the CRA definition of “Community Development”

# Rates



- CDA is a discounted advance
- CDA Extra is a deeper discounted advance
- Available as Classic (bullet), Amortizing, and Member Option advances
- CDA/CDA Extra available in terms from one year to 20 year maturity/30 year amortization
- In 2014, approved 59 applications for over \$828 million in funding to support small business lending

Long-Term	Short-Term	Amortizing	Advance Specials	
<b>Long-Term Classic Advance Rates</b> Effective 12:25 PM March 25, 2015				
Term	Reg.	CDA	CDA Extra	NEF
1yr	0.55	0.47	0.43	0.53
2yr	1.04	0.82	0.77	1.02
3yr	1.36	1.15	1.09	1.34
5yr	1.86	1.64	1.56	1.84
7yr	2.33	2.10	2.00	2.31
10yr	2.75	2.52	2.39	2.73
15yr	3.35	3.17	2.99	3.33
20yr	3.63	3.49	3.27	3.61

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

# CDA – Economic Development

## Economic Development Eligibility

### Individual Beneficiaries

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

### Activity Beneficiary

- Initiative qualifies as a Small Business

### Geographic Beneficiaries

- urban initiatives serving households at or below 100% of AMI
- rural initiatives serving households at or below 115% of AMI

### Located in:

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