



# Neighborhood Impact Program (NIP)

## **NIP is one of three Homeownership Initiatives available through FHLBI member institutions.**

NIP assists existing homeowners with incomes at or below 80% of area median income (AMI) to rehabilitate their homes. The maximum subsidy per household is as follows:

- \$10,000 if the homeowner meets either of the following requirements:
  - The FHLBI member is the current first lien holder or mortgage servicer, or the homeowner was previously a mortgage customer of the FHLBI member who has subsequently fully satisfied the mortgage debt; or
  - The homeowner is receiving 3:1 in matching funds from a government entity (i.e., CDBG, HOME or USDA funds); or financing from an eligible state or local home improvement loan program. For every \$1 of matching funds, FHLBI can provide up to \$3 in grant assistance.
- \$7,500 if the homeowner is not receiving matching funds from above-listed eligible sources or if the homeowner is not a current or previous mortgage customer of the FHLBI member.

Members may work with eligible homeowners directly or through one or more local housing organizations.

### **Benefits to Members**

- Enhances a member's homeowner rehabilitation products including home equity loans
- Improves market competitiveness
- Develops relationships with local housing agencies
- Empowers homeowners, leading to deeper banking relationships
- NIP requests are reviewed quickly – approximately 10 business days

### **How to Participate**

- All Homeownership Initiatives are available to member institutions that have completed training and a Master Agreement, Registration and Certification Form.
- There is a \$300,000 member limit for NIP.

- Members participating in the Homeownership Initiatives will be listed on the Community Investment section of FHLBI's website at [www.fhlbi.com](http://www.fhlbi.com).

### **Program Elements**

- Existing homeowners with incomes at or below 80% AMI
- Owner-occupants and must have resided in the home 18 months prior to enrollment
- Five-year retention requirement with a prorated recapture of assistance
- Eligible properties include single-family homes, condominiums and modular units (duplexes with certain restrictions). Existing mortgage obligations must be current and paid as agreed.
- Homeowner counseling not required, but recommended

### **Eligible Improvements**

- Repair/replacement of existing heating, ventilation, air conditioning
- Repair/replacement of existing well/septic system or underground property sewer system
- Repair/replacement of existing water heater
- Energy conservation improvements - includes repair/replacement of:
  - Windows
  - Soffit and Fascia
  - Siding
  - Roofing
  - Gutters
  - Downspouts
  - Caulking
  - Exterior doors
  - Weather stripping, attic and wall insulation
- Installation/repair of systems; materials must be of similar quality, kind and style.

Rehabilitation and repair of systems; materials must be of similar quality, kind and style.

All repairs must be supported by two independent bids.

\*Additional documentation may be required.

Information and forms are posted at <https://www.fhlbi.com>

Technical assistance is available by calling FHLBI's Community Investment staff at 800.688.6697.

## 2016 FHLBI Homeownership Initiatives

FHLBI offers three Homeownership Initiatives through member financial institutions to assist in the creation and preservation of affordable homeownership primarily in Indiana and Michigan:

- **Homeownership Opportunities Program (HOP)**  
*First-time homebuyer assistance*
- **Neighborhood Impact Program (NIP)**  
*Existing homeowner rehabilitation assistance*
- **Accessibility Modifications Program (AMP)**  
*Accessibility modification assistance for owner-occupied households for seniors or those with a disability*

**Note: A disaster relief program may also be activated in response to state and federally declared disasters with housing needs not addressed by other initiatives.**

### Funding Available

- All Homeownership Initiatives funding will be available on a first come, first served basis, with no direct allocation among the three initiatives.
- The Homeownership Initiatives typically release 70% of the available funds in the spring with the remaining 30% held for release in late summer to assure resource availability throughout the year. Funds will be available until the year's allocation has been exhausted or the program year is closed.
- The available funding balance is updated regularly and posted on FHLBI's website.
- A minimum of 35% of initiative funding must be allocated to first-time homebuyers.

Households cannot receive, for the same property, more than one FHLBI grant of any kind, or more than one grant from any Federal Home Loan Bank, unless prior grants have been repaid or retention period has expired.

Information and forms are posted at <https://www.fhlbi.com>

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### Building Partnerships, Serving Communities

The Federal Home Loan Bank of Indianapolis (FHLBI) is one of 11 regional banks that make up the Federal Home Loan Bank System. FHLBanks are government-sponsored enterprises created by Congress to ensure access to low-cost funding for their member financial institutions. FHLBanks are privately capitalized and funded, and receive no Congressional appropriations. The FHLBI is owned by its financial institution members, which include commercial banks, credit unions, insurance companies, and savings banks headquartered in Indiana and Michigan. For more information about the FHLBI and its affordable housing programs,