



**Office of General Treasurer James A. Diossa  
Community Deposit Program  
Application Guide for Participating Financial Institutions**

*Modified December 19, 2025*

RI AnchorHome is a Community Deposit Program established through a partnership between the State of Rhode Island Office of the General Treasurer ("Treasury") and participating financial institutions, designed to provide State deposits to support qualifying mortgage loans originated by the Institutions. This document outlines the essential elements of RI AnchorHome, including the criteria that define a qualifying mortgage loan, the mandatory reporting requirements associated with the operation of RI AnchorHome, and the specific requirements financial institutions must meet to participate.

**Mission Statement**

To expand access to affordable homeownership for first-time buyers in Rhode Island by strategically partnering with local financial institutions, leveraging state deposits to support equitable lending, strengthen communities, and promote long-term financial stability for residents.

**Vision Statement**

A Rhode Island where every first-time homebuyer has the opportunity to build generational wealth through homeownership, supported by a sustainable and inclusive financial system that reinvests in its communities.

**About the Community Deposit Program**

Treasury and the State Investment Commission ("SIC") seek to support Rhode Island's economy by linking deposits in Rhode Island financial institutions to corresponding qualifying loans, including small business loans and mortgage loans. Investment of these deposits seeks to support the expansion of credit within the State through qualifying institutions while honoring the vital goals of safety, security, and liquidity.

## I. Loan Qualifications

A loan will qualify for RI AnchorHome if it is made to a first-time homeowner (“FTHB”) physically located within the State of Rhode Island (“State”). Individuals applying to RI AnchorHome (“Applicants” or “Borrowers”) shall do so directly through participating financial institutions (“Institutions”). **The interest rate will be 3.99% for a 30-year fixed mortgage.** This rate is subject to change based on the market. Treasury’s cash management team shall meet with all the Institutions quarterly to review the interest rate. The mortgage must be for an owner-occupied, primary residence home. Individuals shall be allowed to receive any eligible grants at closing time. Appraisal costs will be paid by the Applicants.

More details on loan qualifications are below.

<b><u>Loan Parameter</u></b>	<b><u>Guideline</u></b>
Loan Purpose	Purchase
Minimum Credit Score	660
Maximum DTI (Debt-To-Income)	50%
Maximum LTV (Loan-to-Value)	100%
Maximum CLTV (Combined Loan-to-Value)	108%
PMI (Primary Mortgage Insurance)	N/A
Property Type	1-2 Family Unit
Household Income Requirement	Up to 110% of the Statewide Income Limits for Rhode Island FY 2025 <sup>1</sup>
Down Payment Assistance Programs	Allowed
Closing Cost Assistance Programs	Allowed
Projected Rental Income (2 units)	Allowed
Previous Home Ownership	Not within last 3 years
Homeownership Counseling	Required by organization approved by Institution – HUD 8hr certified FTHB class and (if 2-unit then landlord counseling also required)
Communities	Rhode Island only
Deed Restrictions	Must be affordable housing related

Maximum Purchase Price Amount - \$525,000 single family; \$575,000 two-family

**Applicants may not own any other residential property at the time of closing.**

<sup>1</sup> <https://www.rihousing.com/wp-content/uploads/FY-25-HUD-Income-Limits.pdf> (Released yearly by HUD)

### **Underwriting Borrower Reserve Restrictions**

The program will be following Fannie Mae and Freddie Mac Home Ready Home Possible AUS Guidelines, unless otherwise noted. *All loans must meet the Ability to Repay (ATR) rules established by the Consumer Financial Protection Bureau (CFPB).*

*Non-Traditional Credit requirements:* Must be working with a qualifying community outreach program to stabilize credit and debts if any.

### **Borrower Liquidity Restrictions**

Borrowers with greater than or equal to twelve (12) months PITI (principal, interest, taxes, and insurance) liquid reserves, or greater than or equal to \$500,000 in retirement accounts or other non-liquid assets, will not be eligible for RI AnchorHome loans. Reserves for the purpose of defining eligibility consist of liquid assets such as funds held in checking/savings account and brokerage accounts; retirement accounts and other non-liquid assets consist of employer-based retirement accounts such as 401(k) and 403(B), nonemployer-based retirement accounts such as Roth IRA, real property total equity, lump sum payment from legal claims, inheritances, lottery winnings, and insurance settlements.

The mortgage loans are for 30-year fixed-rate terms. However, in accordance with SIC policy, Treasury's commitment of deposits shall be made for a period of one year, with the option to renew for additional one-year periods at Treasury's discretion. Funding will be renewed annually, *provided that* the Institution remains active in RI AnchorHome by originating at least one qualifying loan per year. This annual renewal will continue until the loan is deemed self-performing by the Institution, defined as five consecutive years of on-time payments. Once the loan reaches this status, the matched funds may either be reallocated to support a new mortgage loan or withdrawn from RI AnchorHome, subject to mutual agreement between the Institution and Treasury. At that point, the assets may be transitioned to support additional mortgage loans. The liquidity needs of the State shall take precedence over any pledge to match deposits to loans under this program, and deposit retention is not guaranteed.

Note that deposits made under RI AnchorHome must be collateralized, per the collateral requirements listed in the SIC Short-Term Investment Policy found at <http://data.treasury.ri.gov/dataset/sic-investment-policy-statements>.

SIC policy prohibits Treasury from making investments with maturities longer than 365 days. Therefore, at annual intervals during the term of a loan, the Institution must renew the deposit request for the specific loan, providing the same information as at origination, with the currently outstanding loan balance.

The interest rate on State deposits shall be no less than Ocean State Investment Pool ("OSIP") minus 2.5%.

## II. Reporting Requirements

There are two categories of reporting required by an Institution to participate in RI AnchorHome.

**Category 1:** Once the loan has closed, the lending Institution must submit a fully completed *Lender Submission Request Form* and *Customer Participation Request Form* as adopted by the Treasury Cash Management team.

**Category 2:** On June 30<sup>th</sup> of each year, each Institution must submit the Yearly Mortgage Report substantially in the form to be provided by the Treasury Cash Management team, only on the loans for which Treasury has made corresponding deposits through RI AnchorHome.

### **III. Financial Institution Eligibility and Application Requirements**

To participate in RI AnchorHome, an Institution must provide a written statement addressed to the Treasury Cash Manager that the Institution meets the following criteria:

1. Has existed and operated for at least three years;
2. Has an investment-grade short-term rating from a nationally recognized statistical ratings organization or a minimum grade of Satisfactory from a bank rating service, such as Veribanc;
3. Shows positive return on assets within at least four of the most recent six quarters;
4. Has a Federal Reserve risk-based minimum capital ratio of at least 8% or NCUA risk-based minimum capital ratio of at least 7%;
5. The non-performing assets as a percentage of total assets do not exceed 3%; and
6. Has read and understands the SIC Short-Term Investment policy.

In addition, please include the following information and materials:

1. Fair lending documents that include:
  - i. The most recent CRA (Community Reinvestment Act) public disclosure report by the appropriate regulatory organization(s) if applicable;
  - ii. The most recent Home Mortgage Disclosure Act report; and
  - iii. Any other documents relating to fair lending audits.
2. Proof of FDIC or NCUA insurance.
3. Current audited financials.

Please note that if the Institution has already been approved to be a depository institution by the SIC, a letter to the Cash Manager requesting inclusion in RI AnchorHome is the only requirement.

The SIC Short-Term Investment Policy describes the standard qualifications required to be a depository of State funds. You can find that document, and all other SIC policy statements, at <http://data.treasury.ri.gov/dataset/sic-investment-policy-statements>.