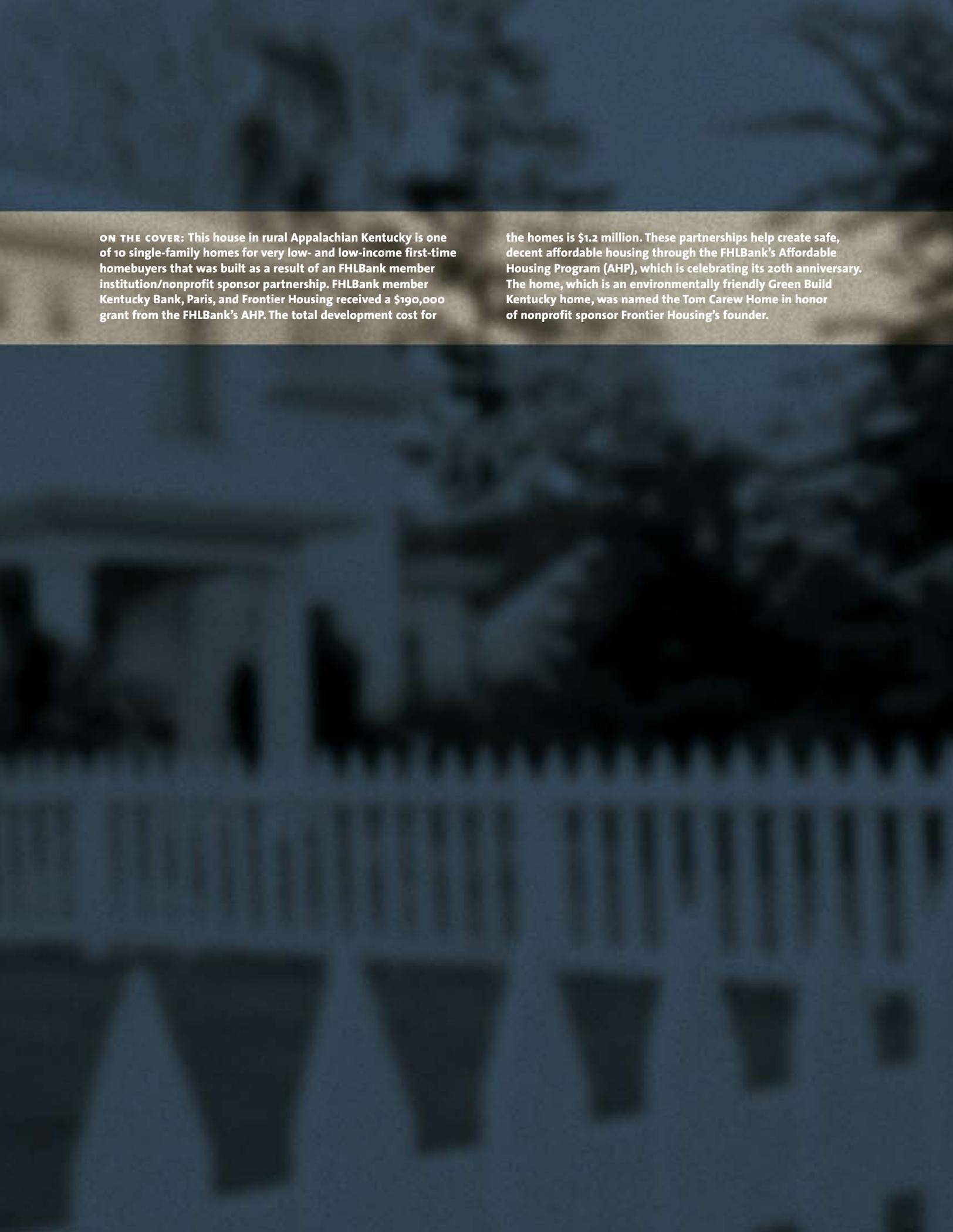




FIFTH DISTRICT  
ADVISORY COUNCIL

2009  
ANNUAL REPORT

 *FEDERAL HOME LOAN BANK  
OF CINCINNATI*



**ON THE COVER:** This house in rural Appalachian Kentucky is one of 10 single-family homes for very low- and low-income first-time homebuyers that was built as a result of an FHLBank member institution/nonprofit sponsor partnership. FHLBank member Kentucky Bank, Paris, and Frontier Housing received a \$190,000 grant from the FHLBank's AHP. The total development cost for

the homes is \$1.2 million. These partnerships help create safe, decent affordable housing through the FHLBank's Affordable Housing Program (AHP), which is celebrating its 20th anniversary. The home, which is an environmentally friendly Green Build Kentucky home, was named the Tom Carew Home in honor of nonprofit sponsor Frontier Housing's founder.

FIFTH DISTRICT  
 ADVISORY COUNCIL

2009  
 ANNUAL REPORT

The Fifth District Advisory Council works with the Federal Home Loan Bank Board of Directors and management to address affordable housing and community investment needs throughout Kentucky, Ohio and Tennessee.



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## A Message to Our Members and Partners

On behalf of the Federal Home Loan Bank of Cincinnati Advisory Council (Council), Board of Directors and management, we present the FHLBank's 2009 Advisory Council Annual Report. During 2009 we reflected on the 20th anniversary of the Affordable Housing Program (AHP) and establishment of the Council and Board's Housing Committee in support of the FHLBank's housing finance mission, partnering hundreds of community lenders with tens of thousands of consumer households.

### Affordable Housing and Lending Reflections

As we look back upon the growth and impact of the AHP, our view is shaped by the challenges from which the program emerged and the current stressed markets in which it operates today. In 1989, Congress enacted broad financial reform in response to the savings and loan crisis. The banking industry's future was far from certain, yet the cooperative structure of the FHLBanks' regional management serving local lenders proved successful. As designed by law, the AHP allocation grew from an initial 5 percent set-aside of profits to its current 10 percent by 1995. In the first year of distribution, 1990, the FHLBank awarded \$2.4 million in affordable housing funds, supporting 754 units of low-income rental and owner-occupied housing from Chattanooga, Tennessee, to Cleveland, Ohio. In 2009, we awarded \$32.8 million supporting 3,355 units. Since inception, our awards exceeded \$363.0 million serving nearly 50,000 households.

Our year of celebration of the program's success is, however, tempered by the passing of Carol Mount Peterson, the individual most central to the success of Cincinnati's AHP and related programs. The accomplishments reported for 2009 and for prior years are, in large measure, a reflection of Carol's hard



***Clockwise, from left to right: David H. Hehman, FHLBank President and CEO; William Y. Carroll Sr., Chair, FHLBank Board of Directors Housing and Community Development Committee; Mark K. Milligan, Chair, 2009 Advisory Council; Carl F. Wick, Chair, FHLBank Board of Directors.***

work and dedication for the past 36 years with the FHLBank's Housing and Community Investment Department. In this report, we pay tribute to the leadership, vision and tenacity Carol brought to the FHLBank.

### Year in Review

In 2009, the FHLBank committed a total of \$35.6 million to support 3,556 units of targeted housing through the AHP and the voluntary American Dream Homeownership Challenge. Assisting community development, the FHLBank approved \$161.0 million in low-cost funds through the Community Investment Program, Economic Development Program and Zero-Interest Fund. Some 237 FHLBank members participated in one or more FHLBank housing or community development programs in 2009.

The Council continues to work with the Board and management to identify pressing housing needs within the District, including

housing for the elderly, those with special needs including the mentally and physically impaired, populations recovering from drug abuse, substandard housing in Appalachia, and mitigation of foreclosure risk in areas affected by heavy job loss. We also face the challenge of a prolonged recession. Nonprofit housing organizations have relied more heavily on AHP while submitting fewer applications due to lack of state, federal or private funds.

### FHLBank Program Effectiveness

We have responded to the changing needs of our District with a series of voluntary programs as well as through our tested AHP. Last year, through Preserving the American Dream, we provided an additional \$1.4 million in voluntary grants to consortiums of 36 member lenders and seven nonprofit housing counseling agencies. Since inception in 2008, this program has reached 1,300 households at risk of foreclosure, helping many families keep their homes. In a review of AHP performance completed by the FHLBank this year, results show that homebuyers assisted with FHLBank programs have experienced lower rates of foreclosure compared to HUD, FHA and other similar programs. The review looked at 9,140 homebuyers assisted through AHP and Welcome Home between 2003 and 2008, finding just 130 homes, or 1.42 percent, were foreclosed or in the foreclosure process. We attribute this strong performance

**Carol Peterson** was presented with the Dorothy J. Williams Lifetime Achievement Award in October 2009 at the annual Kentucky Housing Conference. The award recognizes commitment to the advancement of affordable housing in the state. She is pictured with FHLBank EVP and COO **Andrew S. Howell**; **B. Proctor Caudill Jr.**, FHLBank Board Vice Chair and Director, Kentucky Bank, Paris; and FHLBank President and CEO **David Hehman**.



to the combination of FHLBank lenders' traditional mortgage products and conventional underwriting with homebuyer counseling provided by nonprofit partners.

### The Year Ahead

As 2010 is under way, we welcome W. Jeff Reynolds, Senior Vice President-Community Investment Officer, to lead the housing department. As an eight-year FHLBank veteran, former Council member and former Tennessee Housing Development Agency executive director, Jeff is well positioned to direct FHLBank funding and services to the most productive use for members. We anticipate that the flexibility of the AHP will be the most effective vehicle to meet the broad spectrum of housing needs, from the preservation of rental units to special needs in rural and urban centers, to responsible homeownership with traditional loan products and supportive counseling.

Respectfully submitted,

David H. Hehman  
President and CEO, FHLBank

William Y. Carroll Sr., Chair, FHLBank  
Board of Directors Housing and  
Community Development Committee

Carl F. Wick  
Chair, Board of Directors

Mark K. Milligan,  
Chair, 2009 Advisory Council



FHLBank President and CEO **David Hehman** (second from right) attended the dedication of the \$930,000 Cloverbrook Apartments in Cincinnati in July 2009. Eight one-bedroom rental units will house very low-income individuals with disabilities. Pictured with David are, left to right: **Julie Bohl**, Executive Director, Housing Resource Group; **Laura Sandmann**, Assistant Vice President, KeyBank Community Development Lending; **Patrick Maynard**, President and CEO, Resident Home Corp. and Housing Resource Group; and **Gene Fugate**, KeyBank City President, Southwest Ohio District.

# A Tribute to Carol M. Peterson



1938-2010

*At Right:* Carol traveled to Vanceburg, Kentucky, in June 2007 to help member Citizens Deposit Bank and Trust (Citizens) and nonprofit AHP sponsor People's Self-Help Housing Inc. (PSHH) raise the walls on PSHH's 25th home. The event took place during National Homeownership Month. Here, Carol joins **Mike Mineer** (back row, second from left), Citizens President and CEO, and his staff at the celebration.



Carol Mount Peterson knew how to get the job done. Through innovation, determination and collaboration, Carol touched the lives of tens of thousands during her 36-year career with the FHLBank. Before Congress enacted the Affordable Housing Program (AHP), Carol was instrumental in the creation of the Community Investment Fund, a below-market rate loan program established in 1978. In five years of operation, just under \$1 billion in CIF funds was used by 176 members to finance housing and community revitalization projects. By 1989, Carol was ready to breathe life into the AHP with a collaborative model that matched her personal style of doing business. "The beauty in working with Carol was not what she did but how she did it," said George Brown, Advisory Council Member. "She touched the life of each person she met with warmth and gentleness, with an attitude of 'How can I help; how can we make this work?'"

Under Carol's direction for 20 years, the AHP awarded \$363 million to 350 members for the creation of nearly 50,000 units of affordable housing. Beyond these impressive results, Carol will be remembered for bringing together many of the partnerships that will carry on this important work in the years ahead.

*Top Right:* Carol helps cut the ribbon on the Talbot House in Jackson, Tennessee, in October 2007. Six rental units house very low-income homeless persons who are chemically dependent. FHLBank member Bank of Jackson and nonprofit sponsor T.A.M.B. of Jackson Inc. partnered to receive a \$77,620 grant from the FHLBank's Affordable Housing Program.



# Advisory Council

## FRONT ROW, SEATED LEFT TO RIGHT

**Mark K. Milligan**  
 (Council Chair)  
 Principal Owner  
 Passage Management  
 Columbus, Ohio

**Marie Williams**  
 Executive Director, Recovery  
 Services and Planning  
 Tennessee Department  
 of Mental Health and  
 Developmental Disabilities  
 Nashville, Tennessee

**Cecil Dunn**  
 Executive Director  
 HOPE Center Inc.  
 Lexington, Kentucky

## BACK ROW, STANDING LEFT TO RIGHT

**Stacey D. Epperson**  
 Executive Director  
 Frontier Housing Inc.  
 Morehead, Kentucky

**George R. Brown**  
 Executive Director  
 Clermont Senior Services Inc.  
 Batavia, Ohio

**Larry E. Murtaugh**  
 Executive Director  
 Catholic Charities  
 Facilities/Housing Corp.  
 Cleveland, Ohio

**Deborah W. Williams**  
 Executive Director  
 Housing Assistance and  
 Development Services Inc. (HANDS)  
 Bowling Green, Kentucky

**Terry W. Cunningham**  
 (Council Vice Chair)  
 Executive Director  
 Kingsport Housing and  
 Redevelopment Authority  
 Kingsport, Tennessee

**Garry D. Watkins**  
 Partner  
 Wabuck Development Co.  
 Leitchfield, Kentucky

**Robert Brewster**  
 Executive Director  
 Brighton Center and  
 Brighton Properties  
 Newport, Kentucky

**Steven D. Gladman**  
 President  
 The Affordable Housing  
 Trust for Columbus and  
 Franklin County  
 Columbus, Ohio

**Chris McCarthy**  
 President/CEO  
 Nashville Area Habitat for Humanity  
 Nashville, Tennessee

**Larry R. West**  
 Executive Director  
 Scott Appalachian Industries  
 Huntsville, Tennessee

**Susan E. Weaver**  
 CEO and Executive Director  
 Community Housing Network Inc.  
 Columbus, Ohio



# Board of Directors

## HOUSING AND COMMUNITY DEVELOPMENT COMMITTEE

### LEFT TO RIGHT

**Alvin J. Nance**  
*Executive Director/CEO*  
Knoxville Community  
Development Corp.  
Knoxville, Tennessee

**Charles J. Ruma**  
*President and CEO*  
Virginia Homes Ltd.  
Columbus, Ohio

**William Y. Carroll Sr.**  
*(Committee Chair)*  
*Chairman of the Board*  
SmartBank  
Pigeon Forge, Tennessee

**William J. Small**  
*Chairman and CEO*  
First Federal Bank of the Midwest  
Defiance, Ohio

**Grady P. Appleton**  
*Executive Director*  
East Akron Neighborhood  
Development Corp.  
Akron, Ohio

**Donald R. Ball**  
*Chairman*  
Ball Homes  
Lexington, Kentucky

# Programs Summary

During 2009, 237 members participated in one or more of the FHLBank’s housing and community development programs. On behalf of the Advisory Council, we would like to thank each member and sponsor for their support of these programs throughout the year.

## Affordable Housing Program

A total of \$24.5 million in 83 grants of AHP subsidy was awarded to 52 members through two competitive offerings to create 1,555 units of affordable owner-occupied and rental housing. Awarded subsidy includes recaptured and deobligated funds from prior AHP rounds. Since the program’s inception in 1990, the FHLBank has awarded \$363 million to help create nearly 50,000 units of affordable housing.

## Welcome Home

A total of \$8.3 million was provided through 164 members as downpayment and closing cost assistance grants to help 1,800 individuals and families purchase affordable homes.

## American Dream Homeownership Challenge

Twelve members were awarded \$1.5 million to create 59 homeownership opportunities for minorities and persons with special needs.

## Preserving the American Dream

The Board of Directors authorized this voluntary anti-foreclosure program for a second year, including the creation of a new coalition in Columbus, Ohio. In addition, the Board provided further funding to existing consortia in Akron, Toledo and Dayton, Ohio; Nashville and Johnson City, Tennessee; and Bowling Green, Kentucky. About \$1.4 million was awarded to these programs, involving 36 members.

## Additional Programs

The Community Investment Program (CIP), Economic Development Program (EDP), and the Zero-Interest Fund (ZIF) encourage members to increase their involvement in housing and community-based economic development. In 2009, \$161 million in CIP/EDP/ZIF funding was approved through 37 member institutions.



### FHLBank Cincinnati AHP/Welcome Home



Summary 2005-2009

UNITS FUNDED



SUBSIDY AWARDED (IN MILLIONS)



# Affordable Housing Program



## A Humble Beginning

Simple ideas can often prove to be powerful. The FHLBanks' Affordable Housing Program is one such idea.

The Financial Institutions Reform, Recovery and Enforcement Act (FIRREA) of 1989 contained a simple provision, calling on the Federal Home Loan Bank System to set aside a share of profits to support creation of affordable housing for low- and moderate-income households. In 1990, the first year grants were made under the new Affordable Housing Program (AHP), the Federal Home Loan Bank of Cincinnati awarded \$2.4 million to help build 754 units of housing.

Over the next 20 years the FHLBank grew, and its commitment to AHP has grown as well. Working with members and nonprofit housing partners in Kentucky, Ohio and

Gloria Perez became a first-time homeowner in fall 1999 when she and her daughter, Billie Jo Edmonds, moved into a home in Dayton, Kentucky, built by the partnership between FHLBank member Fort Thomas Savings Bank (now Bank of Kentucky) and Northern Kentucky Habitat for Humanity (now TriState Habitat for Humanity). The partners received a \$35,000 grant from the FHLBank's AHP. In addition, more than 100 FHLBank employees converged upon the homebuilding site in June 1999 to help build Gloria's house for a day. At left, Billie Jo, who uses a wheelchair, receives a welcome from the FHLBank's Carol Peterson during the groundbreaking ceremony in spring 1999. Gloria (second from right) was in attendance with her two nephews. Ten years later, Gloria still loves her home, which she now shares with her husband, Jesus. "This house was a blessing for Billie Jo and me," Gloria recalls. "It saved us from our prior apartment, which was literally freezing us in the winter on account of an improperly working heat pump. We would turn on the oven, open the door and huddle around it for months. This house also helped our sense of freedom and self esteem. It's bigger than our apartment was, and it has a wheelchair ramp in the back. It makes us feel just great."

Tennessee, the FHLBank has been able to leverage AHP into a powerful engine to address the housing needs of the Fifth District. In 20 years of AHP awards, more than \$360 million has been distributed through Fifth District members to create nearly 50,000 units of affordable housing with a total construction value of more than \$2.5 billion. Together, the 12 FHLBanks nationwide have contributed more than \$3 billion to help create 623,000 units of affordable housing.



FIRREA legislation also established the Advisory Council, a group of housing and community investment providers appointed to each of the 12 FHLBanks to help identify regional housing needs. Under the guidance of the FHLBank Cincinnati's Advisory Council and Board of Directors, AHP was refined to target the specific needs of the Fifth District. One great area of need remains rural housing, especially in Appalachia. The FHLBank has directed nearly \$70 million in AHP funds to the Appalachian sections of Kentucky, Ohio and Tennessee, supporting creation of more than 7,000 units of housing with a total value of \$500 million. AHP has also been targeted to serve those with special needs and to help communities dealing with foreclosed and abandoned properties.

In addition, in 1998 the FHLBanks were permitted by regulation to set aside a portion of AHP for downpayment assistance to promote homeownership. The FHLBank Cincinnati created Welcome Home, a program which has awarded more than \$63 million to help 13,000 low- to moderate-income homebuyers, most of them first-time buyers.

*Top left:* Unprecedented growth in the Smyrna, Tennessee, area, required local housing authorities to react to demands for more housing, especially for seniors who relocated with their families. FHLBank member Calvary Banking, Murfreesboro (now Pinnacle National Bank), and nonprofit partner Smyrna Housing Authority responded by breaking ground in February 1999 for Meadowlawn Manor, a \$2.2 million rental complex which offers 57 housing units for very low- and low-income seniors. The project partners received a \$1.1 million Advance from the FHLBank's Community Investment Program and a \$392,000 Advance from the AHP. **Bessie Moore**, who was Meadowlawn Manor's second-oldest resident at age 96 in 1999, is pictured at the groundbreaking with **Jack Raleigh**, Executive Director, Smyrna Housing Authority; **Carol Peterson**, FHLBank Senior Vice President-Housing and Community Investment; and FHLBank President **David Hehman**, who was EVP at the time.

*Top right:* Project sponsors and supporters gathered in front of the Voegele Building, Mansfield, Ohio, in August 2000 to announce plans to renovate the vacant four-story, historic building into 25 rental units for very low- and low-income area seniors. FHLBank member Fifth Third Bank, Columbus, and nonprofit sponsor Central City Economic Development Council Inc. partnered to receive a \$450,000 Advance from the AHP. The FHLBank's **Carol Peterson** (third from right) is pictured with colleagues during the kickoff ceremony.



About 350 FHLBank Cincinnati members have participated in AHP, and many have found it an important link to the communities they serve. “Because affordable housing is such a critical need in our area, Pinnacle has made affordable housing the cornerstone of our community involvement programs since our founding in 2000,” said M. Terry Turner, President and CEO of Pinnacle Financial Partners in Nashville, Tennessee. “Over these past 10 years, our partnership with the FHLBank has substantially increased the capital we can offer to our community partners. The act of helping individuals who might never have thought owning a home was possible has been rewarding for everyone on the Pinnacle team.”

FHLBank member Independence Bank, Bowling Green, Kentucky, and nonprofit sponsor Housing Assistance and Development Services Inc. (HANDS), Bowling Green, partnered to help create the \$2.8 million Independence Place Apartments, which offers 24 rental units to very low- and low-income tenants, many of whom have special needs and are U.S. veterans. The partners received a \$296,000 grant from the FHLBank’s AHP.

Dedication of the complex took place in July 2009, and participants included, from left to right, Tommy Hunt, District 4 Magistrate, Warren County; Judy Rose, Senior Community Investment Representative, FHLBank; Brenda Weaver, Chief-Programs, Policy and Public Relations, Kentucky Housing Corp.; Independence Place resident; Lori Tillis, Senior Asset Manager, Ohio Capital Corp. for Housing; resident Emma McFarland; Garry Watkins, President, Wabuck Development Co., and Member, FHLBank Advisory Council; Deborah Williams, Executive Director, HANDS, and Member, FHLBank Advisory Council; Bowling Green Mayor Elaine Walker; Michael Buchanon, Judge Executive, Warren County; Chris Young, Vice President, Independence Bank.

### The AHP Today

Difficult economic conditions in 2009 have made the AHP even more valuable to our partners than in past years. For the housing nonprofit agencies that receive funds from AHP, “It’s such an important source of financing and it’s one that’s been stable,” said Susan E. Weaver, CEO and Executive Director of Community Housing Network Inc. in Columbus, Ohio, and a member of the Advisory Council. “Since projects can sometimes require as many as seven funding sources, AHP has become an important source of gap financing. The emphasis on housing for low-income and special needs households helps those projects become reality.”

Last year, the FHLBank committed \$24.5 million in AHP funding to 52 community lenders, serving the housing needs of 1,555 households. Though the FHLBank received fewer applications, due in part to the reduction of other funding



Jeff Reynolds (center), FHLBank Senior Vice President-Housing and Community Investment, joins Michael Schulz (left), Field Representative, Office of U.S. Senator Lamar Alexander (R-TN); and Paul Goode, Field Representative, U.S. Senator Bob Corker (R-TN), in displaying AHP 20th anniversary recognition plaques following a lunchtime ceremony in Nashville, Tennessee, at the annual Governor's Housing Summit in October 2009.



sources, the quality of the funded projects remained high. Projects ranged from rental to homeownership, serving at-risk single mothers, special needs populations and senior citizens from Cleveland, Tennessee, to Cleveland, Ohio, and 81 locations in between.

FHLBank management, Board Members and Council Members were honored to accept recognition at our three state housing conferences in 2009 for the 20th anniversary of AHP. Kentucky, Ohio and Tennessee's state housing agencies are valued partners with a shared mission of providing lasting, meaningful housing solutions to area residents. We look forward to meeting the challenges of 2010 with the same spirit of collaboration we have embraced in operating the AHP for more than two decades.

The \$10.7 million Southpoint Apartments, Columbus, Ohio, features 80 rental units targeted toward very low- and low-income special needs persons, half of whom are homeless. Dedication of this large project, which features numerous play areas for children, took place in April 2009. FHLBank member KeyBank, Cleveland, Ohio, and nonprofit sponsor Community Housing Network Inc. received a \$1 million grant from the FHLBank's AHP.

## KENTUCKY

**Adair, Allen, Green, Marion, Taylor, Warren Counties**

*Kentucky Heartland Outreach Rehab 2009, Central KY; Adair, Allen, Green, Marion, Taylor, Warren Counties, KY*

**\$225,000 grant, 30 owner-occupied units**  
Magnolia Bank Inc., Hodgenville  
Kentucky Heartland Outreach,  
Campbellsville

**Boyle County**

*Boyle County HFH 2009A; Boyle County, KY*  
**\$39,979 grant, 2 owner-occupied units**  
The Farmers National Bank of Danville  
Boyle County Habitat for Humanity,  
Danville

**Clay, Jackson, Laurel, Rockcastle Counties**

*2009 DBCAA AHP Project; Clay, Jackson, Laurel, Rockcastle Counties, KY*  
**\$75,000 grant, 5 owner-occupied units**  
PNC Bank, N.A. (National City Bank),  
Cleveland, OH  
Daniel Boone Community Action  
Agency Inc., Manchester

**Estill County**

*WestCare Kentucky Sober Living Apartments; Irvine, KY*  
**\$200,000 grant, 4 rental units**  
Citizens Guaranty Bank, Richmond  
WestCare Kentucky Inc., Irvine

**Fayette County**

*Hope Apartments 2009; Lexington, KY*  
**\$750,000 grant, 44 rental units**  
Central Bank and Trust Co., Lexington  
Hope Center Inc., Lexington

**Fleming County**

*Fleming County HFH 2009B; Ewing, KY*  
**\$33,545 grant, 1 owner-occupied unit**  
Peoples Bank of Kentucky Inc.,  
Flemingsburg  
Fleming County Habitat for Humanity,  
Flemingsburg

**Graves County**

*Eloise Fuller Phase II; Mayfield, KY*  
**\$290,985 grant, 15 rental units**  
Wilson & Muir Bank and Trust Co.,  
Bardstown  
Fuller Community Facilities Corp.,  
Mayfield

*Eloise Fuller Apartments; Mayfield, KY*  
**\$339,400 grant, 46 rental units**  
FNB Bank Inc., Mayfield  
Fuller Community Facilities Corp.,  
Mayfield

**Greenup County**

*Riverside; Wurtland, KY*  
**\$759,962 grant, 38 rental units**  
Home Federal Savings and Loan  
Association of Ashland  
Appalachian Foothills Housing  
Agency Inc., Wurtland

**Hardin County**

*Hardin County HFH 2009B;*  
Hardin County, KY  
**\$73,180 grant, 4 owner-occupied units**  
Kentucky Neighborhood Bank,  
Elizabethtown  
Hardin County Habitat for Humanity,  
Elizabethtown

**Hopkins County**

*HFH of Hopkins Co. 2009A; Madisonville, KY*  
**\$96,617 grant, 2 owner-occupied units**  
First United Bank and Trust Company,  
Madisonville  
Habitat for Humanity of Hopkins  
County Inc., Madisonville

*HFH of Hopkins Co. 2009B; Madisonville, KY*  
**\$99,881 grant, 5 owner-occupied units**  
First United Bank and Trust Company,  
Madisonville  
Habitat for Humanity of Hopkins  
County Inc., Madisonville

**Jefferson County**

*2009A HFH Metro Louisville Special Needs; Jefferson County, KY*  
**\$141,333 grant, 3 owner-occupied units**  
Republic Bank and Trust Co., Louisville  
Habitat For Humanity of Metro  
Louisville, Louisville

*2009A HFH Metro Louisville Rehab;*  
Jefferson County, KY  
**\$74,631 grant, 3 owner-occupied units**  
Republic Bank and Trust Co., Louisville  
Habitat For Humanity of Metro  
Louisville, Louisville

*Boys' Haven Cottages Goldsmith Lane;*  
Louisville, KY  
**\$186,150 grant, 40 rental units**  
Stock Yards Bank and Trust Co., Louisville  
Father Maloney's Boys' Haven Inc.,  
Louisville

**Kenton County**

*King's Crossing, Covington, KY;*  
Covington, KY  
**\$294,631 grant, 8 rental units**  
U.S. Bank, N.A., Cincinnati, OH  
Welcome House of Northern  
Kentucky Inc., Covington

*Austinburg Rehab; Covington, KY*  
**\$471,292 grant, 40 rental units**  
First Security Trust Bank Inc., Florence  
Brighton Center, Newport

**Lee County**

*Beattyville Homeownership Project;*  
Lee County, KY  
**\$120,000 grant, 6 owner-occupied units**  
Peoples Exchange Bank, Beattyville  
Beattyville Housing and Development  
Corp. Inc., Beattyville

**Madison County**

*HFH of Madison & Clark Counties, KY 2009B; Berea, KY*  
**\$45,565 grant, 1 owner-occupied unit**  
Madison Bank, Richmond  
Habitat for Humanity of Madison and  
Clark Counties, Richmond

**McCracken County**

*Scholar House of Paducah; Paducah, KY*  
**\$479,000 grant, 48 rental units**  
Wilson & Muir Bank and Trust Co.,  
Bardstown  
Paducah Housing Services Inc., Paducah

*Centerpoint*; Paducah, KY  
**\$500,000 grant, 38 rental units**  
 The Paducah Bank and Trust Co.,  
 Paducah  
 Four Rivers Behavioral Health, Paducah

### Rowan County

*Morehead Area HFH 2009B*; Morehead, KY  
**\$247,526 grant, 5 owner-occupied units**  
 Whitaker Bank, Lexington  
 Morehead Area Habitat for Humanity,  
 Morehead

### Russell County

*RussellCountyHFH2009A*;  
 Russell County, KY  
**\$41,317 grant, 1 owner-occupied unit**  
 First National Bank of Russell Springs  
 Russell County Habitat for Humanity,  
 Jamestown

### Warren County

*HFH Bowling Green Warren  
 County 2009B*; Bowling Green, KY  
**\$24,912 grant, 1 owner-occupied unit**  
 PBI Bank, Louisville  
 Habitat for Humanity Bowling Green  
 Warren County Inc., Bowling Green

## OHIO

### Allen County

*2009 Lima/Delphos OH*; Allen County, OH  
**\$39,780 grant, 4 owner-occupied units**  
 The Huntington National Bank,  
 Columbus  
 Habitat for Humanity-Lima Area Inc., Lima

### Cuyahoga County

*CATS Building a Better Place for Women*;  
 Cleveland, OH  
**\$500,000 grant, 48 rental units**  
 The Huntington National Bank,  
 Columbus  
 Community Assessment and Treatment  
 Services Inc., Cleveland

*YWCA Independence Place 2009*;  
 Cleveland, OH  
**\$275,000 grant, 23 rental units**  
 FirstMerit Bank, N.A., Akron  
 YWCA of Greater Cleveland, Cleveland

### Franklin County

*Commons at Livingston*; Columbus, OH  
**\$500,000 grant, 50 rental units**  
 The Huntington National Bank,  
 Columbus  
 National Church Residences, Columbus

### Fulton County

*2009B Fulton County*; Fulton County, OH  
**\$28,881 grant, 2 owner-occupied units**  
 The Huntington National Bank,  
 Columbus  
 Habitat for Humanity of Fulton County,  
 Ohio, Wauseon

### Geauga County

*Lakeview Village II*; Middlefield, OH  
**\$360,000 grant, 36 rental units**  
 KeyBank, N.A., Cleveland  
 Neighborhood Development  
 Services Inc., Ravenna

### Greene County

*Columbus Place*; Xenia, OH  
**\$750,000 grant, 15 rental units**  
 U.S. Bank, N.A., Cincinnati  
 Housing Solutions of Greene  
 County Inc., Xenia

### Hamilton County

*Veteran Center*; Cincinnati, OH  
**\$999,500 grant, 50 rental units**  
 U.S. Bank, N.A., Cincinnati  
 Volunteers of America - Ohio River  
 Valley, Cincinnati

### Huron County

*2009 2010 Builds*; Huron County, OH  
**\$22,500 grant, 3 owner-occupied units**  
 First Federal Savings and Loan  
 Association of Lorain  
 Firelands Habitat for Humanity, Huron

### Licking County

*Arch Street*; Newark, OH  
**\$750,000 grant, 28 rental units**  
 The Park National Bank, Newark  
 Salvation Army Eastern Territory, Newark

### Lucas County

*2009 Community Stabilization,  
 Toledo OH*; Lucas County, OH  
**\$115,000 grant, 15 owner-occupied units**  
 PNC Bank, N.A. (National City Bank),  
 Cleveland  
 Neighborhood Housing Services of  
 Toledo Inc., Toledo

*YWCA Battered Women's Shelter*; Toledo, OH  
**\$200,000 grant, 28 rental units**  
 The Huntington National Bank,  
 Columbus  
 Young Women's Christian Association  
 of Greater Toledo, Ohio, Toledo

### Montgomery County

*River Commons II*; Dayton, OH  
**\$897,267 grant, 83 rental units**  
 U.S. Bank, N.A., Cincinnati  
 Miami Valley Housing  
 Opportunities Inc., Dayton

*2009 Housing First III of Montgomery  
 County*; Miamisburg, OH  
**\$400,000 grant, 8 rental units**  
 KeyBank, N.A., Cleveland  
 Miami Valley Housing  
 Opportunities Inc., Dayton

*DOHH 2009B Construction Project*;  
 Montgomery County, OH  
**\$149,500 grant, 3 owner-occupied units**  
 Wright-Patt Credit Union, Fairborn  
 Dayton Ohio Habitat for Humanity,  
 Dayton

### Portage County

*2009 Ravenna OH*; Ravenna, OH  
**\$185,900 grant, 4 rental units**  
 The Huntington National Bank,  
 Columbus  
 Family and Community Services Inc.,  
 Ravenna

### Summit County

*Village at New Seasons*; Akron, OH  
**\$500,000 grant, 50 rental units**  
 FirstMerit Bank, N.A., Akron  
 East Akron Neighborhood Development  
 Corp., Akron



### Trumbull County

2009 Edison Place, Niles OH; Niles, OH  
**\$500,000 grant, 50 rental units**  
 KeyBank, N.A. (The Huntington National Bank), Cleveland  
 Common Wealth Inc., Youngstown

### Van Wert County

2009 Delphos OH; Delphos, OH  
**\$7,444 grant, 1 owner-occupied unit**  
 The Huntington National Bank,  
 Columbus  
 Habitat for Humanity-Lima Area Inc., Lima

### Warren County

TriState HFH 2009B; Lebanon, OH  
**\$187,555 grant, 4 owner-occupied units**  
 Fifth Third Bank, Cincinnati  
 TriState Habitat for Humanity,  
 Cincinnati

## TENNESSEE

### Anderson County

2009 Scarboro Oak Ridge TN - Phase 1;  
 Anderson County, TN  
**\$266,280 grant, 15 owner-occupied units**  
 TNBANK, Oak Ridge  
 Habitat for Humanity of Anderson  
 County, Oak Ridge

2009 ORHA Homeownership;  
 Anderson County, TN  
**\$50,000 grant, 5 owner-occupied units**  
 ORNL Federal Credit Union, Oak Ridge  
 Oak Ridge Housing Authority, Oak Ridge

### Benton, Dyer, Gibson, Henry, Lake Counties

CAN's Down Payment Assistance  
 Program; Benton, Dyer, Gibson, Henry,  
 Lake Counties, TN  
**\$86,500 grant, 5 owner-occupied units**  
 Carroll Bank and Trust, Huntingdon  
 Community Action Network Inc.,  
 Springville

### Bledsoe County

Colonial Manor Apts 2009; Pikeville, TN  
**\$464,850 grant, 48 rental units**  
 Cumberland County Bank, Crossville  
 Crossville Housing Authority, Crossville

### Blount County

Norwood Village Phase 1; Blount County, TN  
**\$192,226 grant, 10 owner-occupied units**  
 Alcoa Tenn Federal Credit Union, Alcoa  
 Blount County Habitat for Humanity,  
 Maryville

### Bradley County

2009-2011 Habitat of Cleveland (TN)  
 Builds, 2009A; Bradley County, TN  
**\$450,000 grant, 9 owner-occupied units**  
 Bank of Cleveland, Cleveland, TN  
 Habitat for Humanity of Cleveland,  
 Cleveland

### Davidson County

Park Preserve 2009A; Davidson County, TN  
**\$149,831 grant, 20 owner-occupied units**  
 Pinnacle National Bank, Nashville  
 Nashville Area Habitat for Humanity,  
 Nashville

Germantown Apartments; Nashville, TN  
**\$100,000 grant, 10 rental units**  
 Pinnacle National Bank, Nashville  
 Park Center, Nashville

Room In The Inn's Campus Expansion;  
 Nashville, TN  
**\$500,000 grant, 38 rental units**  
 Pinnacle National Bank, Nashville  
 Campus for Human Development,  
 Nashville

701 Porter Phase One; Nashville, TN  
**\$396,600 grant, 20 rental units**  
 U.S. Bank, N.A., Cincinnati, OH  
 Urban Housing Solutions Inc., Nashville

### Gibson County

Gibson County Homes; Milan, TN  
**\$61,896 grant, 2 rental units**  
 Farmers and Merchants Bank, Trezevant  
 Carey Counseling Center Inc., McKenzie

### Hamilton County

2009 Infill, Chattanooga TN;  
 Hamilton County, TN  
**\$127,750 grant, 6 owner-occupied units**  
 FSGBANK, N.A., Chattanooga  
 Habitat for Humanity of Greater  
 Chattanooga, Chattanooga

Sabrina and Donlyn Rehab; Hixson, TN  
**\$159,500 grant, 16 rental units**  
 Cohutta Banking Co., Chattanooga  
 Volunteer Behavioral Health Care  
 System, Chattanooga

### Haywood County

Habitat for Humanity of Haywood  
 County Phase II; Haywood County, TN  
**\$10,146 grant, 1 owner-occupied unit**  
 INSOUTH Bank, Brownsville  
 Habitat For Humanity of Haywood  
 County, Brownsville

### Johnson County

Wayland Place - Phase II / Building II;  
 Mountain City, TN  
**\$160,000 grant, 8 rental units**  
 Bank of Tennessee, Kingsport  
 Eastern Eight Community Development  
 Corp., Johnson City

### Knox County

Knoxville Habitat Builds; Knox County, TN  
**\$573,000 grant, 30 owner-occupied units**  
 Home Federal Bank of Tennessee,  
 Knoxville  
 Knoxville Habitat for Humanity,  
 Knoxville

Cox House; Knoxville, TN  
**\$495,000 grant, 16 rental units**  
 Home Federal Bank of Tennessee,  
 Knoxville  
 Helen Ross McNabb Center Inc.,  
 Knoxville

Baker House; Knoxville, TN  
**\$320,000 grant, 8 rental units**  
 Home Federal Bank of Tennessee,  
 Knoxville  
 Helen Ross McNabb Center Inc.,  
 Knoxville

Eastport Elderly; Knoxville, TN  
**\$750,000 grant, 60 rental units**  
 First Tennessee Bank N.A., Memphis  
 Passport Development Corp., Knoxville

### Lawrence County

Lawrence Co Habitat Builds 2009A;  
 Lawrence County, TN  
**\$149,951 grant, 3 owner-occupied units**  
 Lawrenceburg Federal Bank  
 Lawrence County Habitat for Humanity,  
 Lawrenceburg

**Loudon County**

2009 *Hope Haven*; Loudon County, TN  
**\$190,000 grant, 9 owner-occupied units**  
 First National Bank, Lenoir City  
 Loudon County Habitat for  
 Humanity Inc., Loudon

**Madison County**

218 *Talbot Towers Jackson TN*; Jackson, TN  
**\$501,300 grant, 26 rental units**  
 The Bank of Jackson, Jackson  
 Aspell Recovery Center, Jackson

**Maury County**

2009A *Maury County Habitat Builds*;  
 Maury County, TN  
**\$69,400 grant, 3 owner-occupied units**  
 First Farmers and Merchants Bank,  
 Columbia  
 Maury County Habitat for  
 Humanity Inc., Columbia

**McNairy County**

*Selmer Independent Living Home*;  
 Bethel Springs, TN  
**\$41,780 grant, 3 rental units**  
 Central Bank, Savannah  
 Behavioral Health Initiatives, Jackson

**Sequatchie County**

*Seniors at Home 2009 - Senior Village  
 Phase 2*; Sequatchie County, TN  
**\$696,531 grant, 14 owner-occupied units**  
 Citizens Tri-County Bank, Dunlap  
 New Hope Construction Inc.,  
 Hendersonville

**Shelby County**

2009A *Bearwater Creek Apartments  
 Buildings 3 & 14*; Memphis, TN  
**\$216,000 grant, 12 rental units**  
 First Tennessee Bank N.A., Memphis  
 Oasis of Hope, Memphis

*Aloysius New Beginnings*; Memphis, TN  
**\$497,700 grant, 10 rental units**  
 First Tennessee Bank N.A., Memphis  
 Friends For Life Corp., Memphis

2009B *245 N Bellevue, Memphis, TN*;  
 Memphis, TN  
**\$145,000 grant, 10 rental units**  
 Independent Bank, Memphis  
 Door of Hope Inc., Memphis

*Pershing Project 2009A*; Shelby County, TN  
**\$137,747 grant, 8 owner-occupied units**  
 Bank of Bartlett, Memphis  
 Habitat for Humanity Greater Memphis,  
 Memphis

**Sullivan County**

*Lighthouse Homes*; Bristol, TN  
**\$500,000 grant, 40 rental units**  
 First Tennessee Bank N.A., Memphis  
 Haven of Rest Rescue Mission of  
 Bristol Inc., Bristol

*Riverview Place*; Kingsport, TN  
**\$380,000 grant, 38 rental units**  
 Bank of Tennessee, Kingsport  
 Riverview Management Inc., Kingsport

**Washington County**

*Mountain Home Neighborhood  
 Redevelopment - Phase III*; Johnson City, TN  
**\$426,685 grant, 15 rental units**  
 Bank of Tennessee, Kingsport  
 Eastern Eight Community Development  
 Corp., Johnson City

**Weakley County**

*Hope of Martin CDC Apts Phase III*;  
 Martin, TN  
**\$195,234 grant, 6 rental units**  
 First State Bank, Union City  
 Hope of Martin Community  
 Development Corp., Martin

**Williamson County**

*Beasley Place Phase I 2009*; Franklin, TN  
**\$204,952 grant, 9 owner-occupied units**  
 Pinnacle National Bank, Nashville  
 Habitat for Humanity Williamson  
 County, Brentwood

**Wilson County**

2009 *Habitat Building Project for Wilson  
 County*; Wilson County, TN  
**\$195,837 grant, 8 owner-occupied units**  
 Pinnacle National Bank, Nashville  
 Habitat for Humanity of Wilson County,  
 Lebanon

**OUT-OF-DISTRICT PROJECTS****Pennsylvania**

*Home Repair*; Allegheny County, PA  
**\$74,350 grant, 10 owner-occupied units**  
 The Huntington National Bank,  
 Columbus, OH  
 ACTION-Housing Inc., Pittsburgh

2009 *Chessland Street Neighborhood,  
 Pittsburgh*; Pittsburgh, PA  
**\$73,955 grant, 6 owner-occupied units**  
 The Huntington National Bank,  
 Columbus, OH  
 Pittsburgh Habitat for Humanity,  
 Duquesne

**West Virginia**

*Pretera Addictions Recovery Center*;  
 Huntington, WV  
**\$1,000,000 grant, 92 rental units**  
 Peoples Bank, N.A., Marietta, OH  
 Pretera Center for Mental Health  
 Services Inc., Huntington

2009 *McCrary House*; Wheeling, WV  
**\$548,613 grant, 11 rental units**  
 The Huntington National Bank,  
 Columbus, OH  
 Youth Services System, Wheeling



## Welcome Home Opens Doors for First-Time Homebuyers



“These are most often young, first-time buyers, and it’s a great opportunity to help them get a fresh start and to teach them budgeting and homeownership skills.”

Joe Bianco Jr., Mortgage Loan Officer  
Eagle Savings Bank, Cincinnati, Ohio

Welcome Home is a housing grant program popular with FHLBank members to help their customers responsibly purchase homes. Historically, all funds have been reserved by members within two months of announcing their availability. Joe Bianco Jr., Mortgage Loan Officer with Eagle Savings Bank, Cincinnati, Ohio, explains why: “To me it’s the best program out there. You turn a customer into a friend. I feel like we’re doing the right thing in helping our customers get off on the right foot. These are most often young, first-time buyers, and it’s a great opportunity to help them get a fresh start and to teach them budgeting and homeownership skills.”

Each year, the FHLBank allocates 10 percent of net earnings for the Affordable Housing Program (AHP). Of those AHP funds, 30 percent is set aside for Welcome Home grants. In 2009, \$8.3 million was disbursed to 164 community lenders to benefit some 1,800 homebuyers. All FHLBank members are eligible to receive a maximum of \$200,000 of Welcome Home funds per year on a first-come, first-served basis. They may use amounts up to \$5,000 per home for downpayment assistance or closing costs. Participating homebuyers must meet income guidelines, are required to provide \$500 of their own money and must attend homebuyer counseling.

## Preserving the American Dream



### PRESERVING THE AMERICAN DREAM



Present at the Preserving the American Dream funding announcement in Nashville, Tennessee, in September 2009, where a \$165,000 check was presented to an FHLBank member consortium, were, from left to right: T. Shayne Bell, Area President for Cheatham County, Community Bank and Trust; Ken McKnight, Vice President-Manager of Community Development, US Bank; Cathie Dodd, Executive Director, Woodbine Community Organization; Andy Howell, EVP and COO, FHLBank; M. Terry Turner, President and CEO, Pinnacle Financial Partners.

The FHLBank funded anti-foreclosure efforts throughout the district with its voluntary Preserving the American Dream program, which awards up to \$3,500 per household for counseling and foreclosure mitigation. Funding of \$1.4 million was awarded in 2009 to expand capacity for prior program participants, as well as a new consortium in Columbus, Ohio, composed of Fifth Third Bank, Huntington Bank and Arlington Bank joining with Columbus Housing Partnership. Since 2008, the FHLBank has committed a total of \$3.5 million to 70 member lenders and 12 nonprofit housing counseling agencies to reach 1,300 households at risk of foreclosure in Kentucky, Ohio and Tennessee.

## Preserving the American Dream 2009 Awards List

### KENTUCKY GRANTS

**\$200,000** – renewing alliance

**Primary member:** Independence Bank

**Sponsor:** Housing Assistance and Development Services (HANDS)

**Consortium:** Wilson & Muir Bank and Trust Co.; The Cecilian Bank; South Central Bank of Barren County Inc.; PBI Bank; Leitchfield Deposit Bank and Trust Co.; Monticello Banking Co.; National City Bank

**Project Location:** Kentucky counties: Allen, Barren, Butler, Casey, Clinton, Cumberland, Daviess, Edmonson, Grayson, Hancock, Hardin, Hart, Henderson, Logan, McCracken, McLean, Metcalf, Monroe, Nelson, Ohio, Pulaski, Russell, Simpson, Warren, Wayne, and Webster

### OHIO GRANTS

**\$200,000** – renewing alliance

**Primary member:** Fifth Third Bank

**Sponsor:** Neighborhood Housing Services of Toledo/The Fair Housing Center

**Consortium:** KeyBank N.A.; The Huntington National Bank; Directions Credit Union

**Project Location:** Ohio - Lucas County

**\$200,000** – renewing alliance

**Primary member:** Third Federal Savings and Loan Assoc. of Cleveland

**Sponsor:** East Akron Neighborhood Development Corp.

**Consortium:** North Akron Savings Bank; FirstMerit Bank N.A.; U.S. Bank N.A.; National City Bank; The Huntington National Bank; Fifth Third Bank

**Project Location:** Ohio counties: Medina, Stark, and Summit

**\$200,000** – renewing alliance

**Primary member:** Wright-Patt Credit Union

**Sponsor:** St. Mary Development Corp./ Homeownership Center of Greater Dayton

**Consortium:** National City Bank; Fifth Third Bank; Universal 1 Credit Union; Day Air Credit Union; Liberty Savings Bank F.S.B.; River Valley Credit Union

**Project Location:** Ohio counties: Clinton, Darke, Fayette, Greene, Miami, Montgomery, Preble, and Shelby

**\$200,000** – new alliance

**Primary member:** Fifth Third Bank

**Sponsor:** Columbus Housing Partnership

**Consortium:** The Huntington National Bank; The Arlington Bank

**Project Location:** Ohio counties: Franklin, Madison, Union, Delaware, Pickaway, Fairfield, Licking and Knox

### TENNESSEE GRANTS

**\$200,000** – renewing alliance

**Primary member:** Bank of Tennessee

**Sponsor:** Eastern Eight Community Development Corp.

**Consortium:** State of Franklin Savings Bank

**Project Location:** Tennessee counties: Carter, Greene, Hancock, Hawkins, Johnson, Sullivan, Unicoi, and Washington

**\$200,000** – renewing alliance

**Primary member:** Pinnacle National Bank

**Sponsor:** Woodbine Community Organization

**Consortium:** U.S. Bank N.A.; Community Bank and Trust; Citizens Bank; Fifth Third Bank; Volunteer State Bank

**Project Location:** Tennessee counties: Bedford, Cannon, Cheatham, Davidson, Dickson, Hickman, Macon, Marshall, Maury, Montgomery, Robertson, Rutherford, Smith, Sumner, Trousdale, Williamson, and Wilson

## American Dream Homeownership Challenge Reaches Underserved Populations



FHLBank member Arlington Bank, Upper Arlington, Ohio, partnered with Habitat for Humanity Greater Columbus to receive \$50,000 in funding from the FHLBank's American Dream Homeownership Challenge program. Two homes were built for families with special needs, including the Saeed family. Pictured with the Saeeds during their home's dedication in December 2009 are Mark Collins, Enterprise Housing Foundation (back row middle) and Jim DeRoberts, Chairman, Arlington Bank, and FHLBank Board member (far right).



Above and beyond the Affordable Housing Program commitment in 2009, the FHLBank directed an additional \$1.5 million toward affordable housing through the voluntary American Dream Homeownership Challenge. Established by the Board of Directors in 2003, American Dream funds support innovative homeownership opportunities for minorities and persons with special needs. The program's flexibility allows members to address challenges such as handicapped accessible structures, language barriers and proximity to social services, which may require resources beyond more traditional projects. Last year, 12 lenders received grants to assist 59 targeted persons.

### American Dream Homeownership Challenge Award Recipients

**Citizens Commerce National Bank**, Versailles, Ky., **\$150,000**, partnering with **Blue Grass Community Action Partnership** to provide first-time homeownership opportunities to three special needs households in Anderson, Franklin, Mercer, and Woodford Counties.

**First Federal Savings Bank of Elizabethtown**, Ky., **\$150,000**, partnering with **The Housing Foundation**, Leitchfield, Ky., to provide first-time homeownership opportunities to three special needs households in Bullitt, Hart, Henry, Green, Barren, Edmonson, Butler, Ohio, Daviess, Warren, Hopkins, Hardin, Jefferson, Fayette, Meade, and Henderson Counties.

**Kentucky Bank**, Paris, Ky., **\$150,000**, partnering with **Frontier Housing** to provide first-time homeownership opportunities to three special needs households in Rowan, Morgan, and Elliott Counties.

**First Federal Savings and Loan Association of Hazard**, Ky., **\$100,000**, partnering with **Housing Development Alliance**, Hazard, Ky., to provide first-time homeownership opportunities to two special needs households in Perry County.

**Citizens National Bank of Paintsville**, Ky., **\$100,000**, partnering with the **Low Income Housing Coalition of East Kentucky Inc.**, Prestonsburg, Ky., to provide first-time homeownership opportunities to two special needs households in Johnson, Floyd, and Magoffin Counties.

**Community Trust Bank Inc. of Pikeville**, Ky., **\$100,000**, partnering with **REACH Inc.**, to provide first-time homeownership opportunities to 10 minority households in Fayette, Bourbon, and Clark Counties.

**Home Federal Savings and Loan Association of Ashland**, Ky., **\$100,000**, partnering with **Appalachian Foothills Housing Agency**, to provide first-time homeownership opportunities to five special needs households in Carter, Greenup, and Elliott Counties.

**KeyBank, N.A.**, Cleveland, Ohio, **\$100,000**, partnering with the **Cincinnati Metropolitan Housing Authority** to provide first-time homeownership opportunities to 10 minority households in Hamilton County.

**North Akron Savings Bank**, Akron, Ohio, **\$100,000**, partnering with **East Akron Neighborhood Development Corp.** to provide first-time homeownership opportunities to 12 minority households in Summit County.

**Carroll Bank and Trust**, Huntingdon, Tenn., **\$187,000**, partnering with **Carey Counseling Center** to provide first-time homeownership opportunities to four special needs households in Benton, Carroll, Crockett, Dyer, Fayette, Gibson, Hardeman, Haywood, Henry, Houston, Humphreys, Lake, Madison, Obion, Stewart, and Weakley Counties.

**Tennessee Valley Federal Credit Union**, Chattanooga, Tenn., **\$150,000**, partnering with **Chattanooga Neighborhood Enterprises** to provide first-time homeownership opportunities to three special needs households in Hamilton County.

**The Citizens Bank of East Tennessee**, Rogersville, Tenn., **\$100,000**, partnering with **Hawkins Habitat for Humanity** to provide first-time homeownership opportunities to two special needs households in Hawkins County.

## Additional Programs

FHLBank member Bank of Jamestown, Jamestown, Kentucky, used a \$500,000 low-cost Advance through the Economic Development Program to help Timber Pointe expand. Timber Pointe is an RV park and campground in the Lake Cumberland area of south central Kentucky. The park's expansion will aid tourism in the area and help retain jobs.



Three additional FHLBank programs are available to members to support their investment in housing and community and economic development: the Community Investment Program (CIP), Economic Development Program (EDP) and Zero-Interest Fund (ZIF).

### Community Investment Program Economic Development Program

The CIP and EDP encourage members to increase their involvement in housing and community-based economic development and revitalization activities in their communities. Both programs provide a discount off regular FHLBank Advance rates.

The CIP is used to provide favorable financing for the acquisition, construction, or rehabilitation of owner-occupied and rental housing. It also provides financing for community economic development, commercial/industrial and small business activities located in specifically-defined areas.

The EDP is used for job creation and retention-related activities or other economic development activities described as commercial, industrial manufacturing, agricultural, social service, public facility projects and activities, and public or private infrastructure projects such as roads, utilities and sewers. In 2009, \$161 million in CIP/EDP/ZIF (see below) funding was approved through 37 member institutions. CIP and EDP funds are both available during the year through a simple application.

### Zero-Interest Fund

The ZIF supports community economic development and housing development activity by providing “early-in” resources for residential, commercial, and industrial real estate-related projects. It may be used for costs associated with, for example, applications, packaging services, appraisals, architectural drawings, consulting fees, engineering fees, environmental testing, feasibility analyses, legal costs, licensing and permit fees, market studies, infrastructure, and other expenditures normally associated with the development of residential, commercial or industrial real estate-related projects. Funds are provided to members and to projects at zero interest for up to two years.

# Community Lending Programs

Objective	Uses	Beneficiaries	Types of Funding		Terms/Conditions	Application Deadlines
<b>AFFORDABLE HOUSING PROGRAM (AHP)</b>						
Creation of owner-occupied and rental housing for low- and moderate-income persons.	Finance acquisition, rehab or new construction of owner-occupied or rental housing.	Persons with incomes at or below 80% of HUD MTSP Income Limits.	Grants.		Competitive Program. Must meet regulatory guidelines.	April 1 and September 1, 2010.
<b>WELCOME HOME PROGRAM (WHP)</b>						
Assist low- and moderate-income families to become homeowners.	Provide Members with downpayment and closing costs for owner-occupied housing.	Households with incomes at or below 80% of state housing finance agency Mortgage Revenue Bond (MRB) Income Limits.	Grants up to \$5,000 per unit.		Program requirements apply, including five-year deed restriction.	First-come, first-served basis beginning March 1, 2010, until available funds are fully reserved.
<b>MORTGAGE REFINANCING ASSISTANCE PROGRAM (MRAP)</b>						
Assist Members in refinancing mortgages under eligible mortgage refinancing programs (e.g., Hope for Homeowners, Making Home Affordable, etc.)	Provide principal reduction and closing cost assistance.	Households with incomes at or below 80% of state housing finance agency Mortgage Revenue Bond (MRB) Income Limits.	Grants up to \$15,000 per unit.		Meet guidelines of the eligible refinancing program.	Funds are available on a first-come, first-served basis through July 30, 2010 or until all funds are reserved.
<b>AMERICAN DREAM HOMEOWNERSHIP CHALLENGE (ADHOC)</b>						
Creation of homeownership units within the Fifth District for minorities and persons with special needs.	Fund variety of uses leading to increased number of homeownership units.	Minorities and persons with special needs.	Grants up to \$100,000 or \$200,000 depending upon eligible household type.		Competitive program. Geographic limits apply.	No additional funds have been authorized for 2010.
<b>PRESERVING THE AMERICAN DREAM (PTAD)</b>						
Preservation of homeownership for households facing delinquency or foreclosure.	Community agencies provide screening, foreclosure prevention counseling, "rescue funds," and mortgage work-outs.	OH, KY, and TN customers of Members of the FHLBank of Cincinnati who are facing delinquency or foreclosure.	Grants of up to \$3,500 per household to prevent foreclosure, including up to \$2,500 in "rescue" funds.		Awards based on responses to Request for Proposal/Requests for Funding Renewal.	Awards made during 2008 and 2009. No additional funds have been authorized for 2010.
<b>COMMUNITY INVESTMENT PROGRAM (CIP)</b>						
Promote community and economic development and job creation/retention.	Owner-occupied or rental housing or economic development in federally designated areas and neighborhoods with incomes at or below 80% of HUD AMI.	Rental or Owner-occupied housing: Income up to 115% of HUD AMI. Commercial or community development in federally designated areas or in neighborhoods with incomes at or below 80% of AMI.	Discounted loans.		Income eligibility requirements. Eligibility requirements for Members.	Open window, subject to the availability of funds.
<b>HOMEPROTECT PROGRAM (HPP)</b>						
Help maintain homeownership by providing permanent fixed-rate mortgage refinancing.	Refinance permanent first mortgages for homeowners facing delinquency or default.	Owner-occupied housing: Household incomes up to 115% of Mortgage Revenue Bond (MRB) income limits.	Discounted loans.		Income eligibility requirements. Eligibility and use requirements for Members.	Up to \$250 million, subject to the availability of funds.
<b>ECONOMIC DEVELOPMENT PROGRAM (EDP)</b>						
Promote local economic development and job creation/retention.	Finance commercial; industrial; agricultural; small business; public facilities, day care, and infrastructure.	Small/large businesses; local jurisdictions.	Discounted loans.		Income eligibility qualifications may apply.	Open window, subject to the availability of funds.
<b>ZERO-INTEREST FUND (ZIF)</b>						
Promote housing and business development; job creation/retention.	Fund early-in costs for housing, commercial and industrial real estate-related projects located in Kentucky, Ohio and Tennessee.	Businesses and housing.	Zero interest funding for 24 months (18 months for housing projects).		Maximum amount of \$100,000.	First come, first served basis, but Members limited to one project approval per calendar year.

## FHLBANK HOUSING AND COMMUNITY INVESTMENT DEPARTMENT

For more information on the FHLBank's housing and community investment programs, please contact any of the following staff members:

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