



2016 Fifth District Advisory Council Annual Report

A Message to Our Members and Partners

On behalf of the Affordable Housing Advisory Council of the Federal Home Loan Bank of Cincinnati (the FHLB), the Board of Directors and management, we are pleased to report on the FHLB's affordable housing activities in 2016, and to provide a look ahead as well. In 2016, the FHLB awarded or disbursed \$134.4 million through our numerous housing and community investment programs, including two voluntary programs – the Carol M. Peterson Housing Fund and the Disaster Reconstruction Program. As these accomplishments indicate, the FHLB remains committed to partnering with our members and sponsors to develop and preserve affordable housing throughout the Fifth District.

Strong Year for Affordable Housing Program and Welcome Home Program

Based on 2015 earnings, the FHLB accrued \$27.9 million for the 2016 Affordable Housing Program (AHP) and the Welcome Home Program. The accrual was further supplemented with additional funding from previous years. As a result, the FHLB was able to award \$27.6 million in AHP grants for the creation or preservation of 2,062 units of affordable housing. Among those units, 791 will serve the elderly, 369 will serve the homeless, and 818 will serve persons with disabilities or recovering from substance addiction.

Additionally, the FHLB disbursed \$10.2 million for down payment and closing cost assistance for 2,089 homebuyers through Welcome Home. Welcome Home remains our most popular product, combining ease of use with immediate homeowner benefit.

Based on FHLB earnings for 2016, we accrued \$30.2 million for the 2017 AHP and Welcome Home offerings. One important change to our AHP Implementation Plan for 2017 emphasizes owner-occupied rehab projects serving special needs and elderly households, now awarding up to 10 points from five. This reflects the demand for this type of housing, as witnessed in the overwhelming demand for grants from our Carol M. Peterson Housing Fund (CMPHF), which exclusively provides grants to support owner-occupied rehab for special needs and elderly households. We hope this will encourage organizations who otherwise may not receive a CMPHF grant to pursue these kinds of projects. Another material change to the AHP for 2017 is an increase in the threshold for requiring a lien to secure the AHP subsidy from \$250,000 to \$750,000. The effect is to make filing an AHP restrictive covenant less burdensome on AHP rental projects. Only those projects receiving more than \$750,000 in AHP subsidy are now required to secure that subsidy with a lien. There are no material changes to the Welcome Home Program for 2017.

Voluntary Programs Fill Additional Needs

The FHLB's history of voluntary programs dates back to the creation of the American Dream Homeownership Challenge in 2003, a down payment assistance program. Currently, the FHLB

maintains two voluntary programs to support affordable housing in the Fifth District, outside our congressional mandate. The Advisory Council and Board of Directors believe voluntary programs allow the FHLB to respond quickly to emerging housing needs in the Fifth District.

Carol M. Peterson was the FHLB's Community Investment Officer and led the FHLB's affordable housing programs for more than 20 years. After her passing in 2010, the Board created a fund in her name to support housing programs benefitting special needs households. In 2016, \$1.5 million was set aside for this voluntary fund.

CMPHF provides grants for accessibility rehab and emergency repairs for low- and moderate-income, elderly and special needs homeowners. Of the \$1.5 million, \$1.4 million was disbursed to assist 224 households in the Fifth District. Additionally, the remaining \$100,000 was used to sponsor the 2016 Jimmy and Rosalynn Carter Work Project (JRCWP).

The JRCWP is an annual Habitat for Humanity Blitz Build. The 2016 build was held in the Uptown neighborhood of Memphis, Tenn., and was led by Habitat for Humanity of Greater Memphis. The project served 99 families and included the construction of 21 new homes, beautification of 33 existing homes and modifications to another 45 homes. In addition to a financial contribution, senior FHLB staff partnered with Member financial institutions Bank of Bartlett, First Tennessee Bank, and Pinnacle Bank to help construct a home for the family of Ahmed Salamin and his wife Halima Aden.

For 2017, the Board of Directors authorized another \$1.5 million for the program. Including this authorization, the FHLB has earmarked \$8 million since 2010 in honor of Ms. Peterson and her commitment to the FHLB and its commitment to serve low- and moderate-income households throughout the Fifth District.

In addition to the CMPHF, the FHLB also voluntarily funds the Disaster Reconstruction Program, which continues to help Fifth District residents whose homes were damaged or destroyed by natural disasters. Since the program was created in 2012, nearly \$3.2 million has been disbursed from this fund to assist 192 households reestablish housing. In 2017, about \$1.8 million remains available through this program.

Community Investment Cash Advances

Finally, a number of members continued to take advantage of our Community Investment Program (CIP) and Economic Development Program (EDP), as well as the Zero Interest Fund (ZIF). Both the CIP and EDP provide discounted Advances, which help our members with their community development activities. In 2016, we disbursed \$94.4 million in Advances and Letters of Credit to 13 members. Likewise, five members received \$450,000 through the ZIF, a program which provides zero percent loans for predevelopment activities.

The Advisory Council looks forward to continuing to work with the FHLB, its Board of Directors, and its members and housing partners in order to meet the affordable housing needs of the Fifth District.

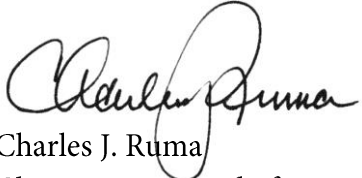
Sincerely,

A handwritten signature in blue ink that reads "S. D. Gladman". The signature is fluid and cursive, with the first name and last name clearly legible.

Steven D. Gladman
Chair, FHLB Advisory Council

A handwritten signature in blue ink that reads "A. S. Howell". The signature is cursive and elegant, with the first name and last name clearly legible.

Andrew S. Howell
FHLB President and CEO

A handwritten signature in black ink that reads "Charles J. Ruma". The signature is cursive and somewhat stylized, with the first name and last name clearly legible.

Charles J. Ruma
Chair, FHLB Board of Directors Housing and Community Development Committee

PROGRAMS SUMMARY

During 2016, 220 members participated in one or more of the FHLB's housing and community development programs. The Council would like to thank all members and sponsors for their support of these programs throughout the year.

Carol M. Peterson Housing Fund. In 2010 the Board established the Carol M. Peterson Housing Fund, a voluntary fund that provides grants for accessibility rehab and emergency repairs to the homes of elderly and special needs households. In 2016, the Board approved \$1.5 million for the fund. More than \$1.4 million was disbursed to assist 224 elderly and special needs households. Also, \$100,000 was used to sponsor the Jimmy and Rosalynn Carter Work Project in Memphis.

Disaster Reconstruction Program. This \$5 million voluntary housing program was authorized by the FHLB's Board of Directors in March 2012 following tornadoes that swept through parts of the Fifth District earlier that month. By year-end 2016, we disbursed nearly \$3.2 million to 192 households whose homes were damaged or destroyed by natural disasters.

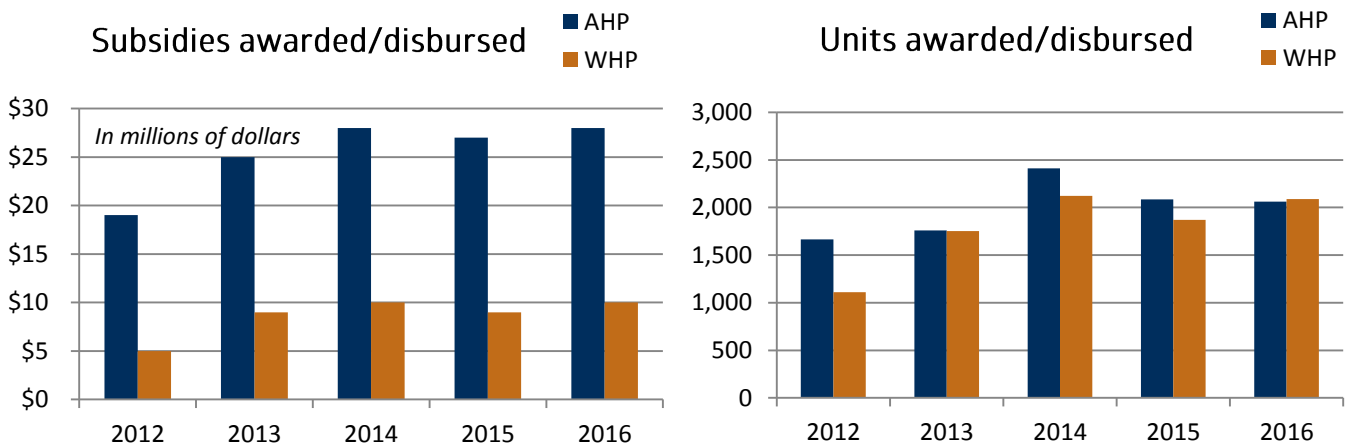
Affordable Housing Program. In 2016, 38 members were awarded 63 grants totaling \$27.6 million through the Affordable Housing Program (AHP). These awards will create 2,062 units of affordable owner-occupied and rental housing. Since the program's inception in 1990, the FHLB has awarded nearly \$478 million in subsidies to help create 50,186 units of affordable housing, with a total development cost in excess of \$4.0 billion.

Welcome Home Program. Each year, up to 35 percent of AHP funds are reserved for downpayment assistance under Welcome Home. In 2016, the FHLB disbursed more than \$10.2 million in Welcome Home grants through 182 members as downpayment and closing cost assistance grants to help 2,089 individuals and families purchase affordable homes. Since Welcome Home's inception in 1998, the FHLB has disbursed \$122.6 million to help some 25,380 families become homeowners.

Under AHP, through affordable housing grants and Welcome Home, the FHLB has awarded or disbursed \$600 million for the creation of 75,566 units of affordable housing.

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 2016, \$94.9 million in CIP/EDP/ZIF funding was disbursed through 18 member institutions.

FHLB AHP and Welcome Home Summary Charts ★ 2012 – 2016



Affordable Housing Program 2016 Awards

Applicant/Location	Sponsor	Project Name/Location	Units	Project Type	Grant Amount
KENTUCKY					
1st Trust Bank Hazard, Ky.	Housing Development Alliance Inc.	2016 Homebuyer - Hazard, Ky. Hazard, Hindman, Hyden, and Jackson, Ky.	8	Ownership	\$400,000
The Cecilian Bank Elizabethtown, Ky.	Audubon Area Community Services Inc.	Mya Manor Beaver Dam, Ky.	32	Rental	\$800,000
The Cecilian Bank Elizabethtown, Ky.	Parkland Manor Inc.	Maddox Manor Brownsville, Ky.	32	Rental	\$800,000
Central Bank & Trust Co. Lexington, Ky.	Lexington Housing for the Handicapped Inc. (d/b/a Bob Brown House)	Bob Brown House II, Lexington, Ky. 2016 Lexington, Ky.	24	Rental	\$319,500
Central Bank & Trust Co. Lexington, Ky.	Shepherd's House Inc.	Lyndhurst Place Lexington, Ky.	17	Rental	\$221,400
Citizens Deposit Bank & Trust Vanceburg, Ky.	People's Self-Help Housing Inc.	2016 Lewis County Homebuyer Program Garrison, Tollesboro and Vanceburg, Ky.	8	Ownership	\$148,000
Commercial Bank West Liberty, Ky.	Cave Run Area Habitat for Humanity	Cave Run Area HFH 2016 Frenchburg, Morehead, and West Liberty, Ky.	5	Ownership	\$106,250
Community Trust Bank Inc. Pikeville, Ky.	Lexington Habitat for Humanity	Lexington HFH 2016 Lexington, Ky.	5	Ownership	\$106,250
Community Trust Bank Inc. Pikeville, Ky.	Lexington Habitat for Humanity	Lexington HFH 2016 #2 Lexington, Ky.	5	Ownership	\$106,250
Cumberland Valley National Bank and Trust Company East Bernstadt, Ky.	Kentucky Highlands Investment Corp.	Kentucky Highlands Scattered Site Homeownership 2016 Counties of Cumberland, Clinton, Laurel, McCreary, Pulaski, Rockcastle, Wayne and Whitley	10	Ownership	\$212,500
Farmers State Bank Booneville, Ky.	Partnership Housing Inc.	2016 PH Homeownership Project Booneville, Ky.	5	Ownership	\$106,000
Field & Main Bank Henderson, Ky.	Habitat for Humanity of Henderson Ky.	HFH of Henderson 2016 Henderson, Ky.	3	Ownership	\$75,000
First United Bank & Trust Co. Madisonville, Ky.	Habitat for Humanity of Hopkins County	HFH of Hopkins Co. 2016 Hawesville and Madisonville, Ky.	4	Ownership	\$100,000
Forcht Bank Lexington, Ky.	KCEOC Community Action Partnership	KCEOC Housing Development Project 2016 Corbin, Girdler and Gray, Ky.	3	Ownership	\$54,348
Hometown Bank of Corbin Inc. Corbin, Ky.	Cumberland Valley Housing Corp.	Yellow Rock Place Barbourville, Ky.	32	Rental	\$1,000,000
Hometown Bank of Corbin Inc. Corbin, Ky.	KCEOC Community Action Partnership	AMD Portfolio 2016, Scattered Sites, Ky. Corinth, Crittenden, Somerset, Tompkinsville, and Whitley City, Ky.	100	Rental	\$807,863
Peoples Bank & Trust Company of Madison County Berea, Ky.	Habitat for Humanity of Madison & Clark Counties	2016 Five House Plan Richmond and Winchester, Ky.	5	Ownership	\$124,749
Republic Bank & Trust Company Louisville, Ky.	Habitat for Humanity of Metro Louisville	HFH Metro Louisville 2016 Jefferson County and Oldham County, Ky.	8	Ownership	\$160,000
U.S. Bank Cincinnati, Ohio	Brighton Properties Inc.	Saratoga Place I Newport, Ky.	48	Rental	\$655,246

Applicant/Location	Sponsor	Project Name/Location	Units	Project Type	Grant Amount
OHIO					
The Arlington Bank Upper Arlington, Ohio	Community Housing Network Inc.	2016 Laurel Green Columbus, Ohio	32	Rental	\$800,000
The Arlington Bank Upper Arlington, Ohio	Community Housing Network Inc.	2016 Parsons Place Columbus, Ohio	50	Rental	\$800,000
The Arlington Bank Upper Arlington, Ohio	Community Housing Network Inc.	Briggsdale Apartments II Columbus, Ohio	32	Rental	\$680,000
Civista Bank Sandusky, Ohio	Habitat for Humanity of Greater Dayton	2016 Building Brighter Futures Dayton and Xenia, Ohio	10	Ownership	\$225,000
Fairfield Federal Savings and Loan Association of Lancaster Lancaster, Ohio	Lutheran Social Services of Central Ohio	Faith Mission Columbus, Ohio	141	Rental	\$800,000
Fifth Third Bank Cincinnati, Ohio	National Church Residences	Commons at South Cumminsville Cincinnati, Ohio	80	Rental	\$1,000,000
Fifth Third Bank Cincinnati, Ohio	Rebuilding Together Northeast Ohio Inc.	2016 RTenn.EO Blitz Build/Building a Healthy Neighborhood Akron and Cleveland, Ohio	17	Ownership	\$170,000
First Federal Bank of the Midwest Defiance, Ohio	TASC of Northwest Ohio Inc.	Lincoln Place Toledo, Ohio	37	Rental	\$550,000
The Home Savings and Loan Co. Youngstown, Ohio	Community Support Services	Stoney Pointe Commons Akron, Ohio	34	Rental	\$500,000
JPMorgan Chase Bank Columbus, Ohio	New Sunrise Properties	The Cottages at Riverview Elyria, Ohio	62	Rental	\$555,355
The Huntington National Bank Columbus, Ohio	Community Support Services	Stoney Pointe Commons Akron, Ohio	34	Rental	\$500,000
The Huntington National Bank Columbus, Ohio	TASC of Northwest Ohio Inc.	Lincoln Place Toledo, Ohio	30	Rental	\$450,000
The Huntington National Bank Columbus, Ohio	Miami Valley Housing Opportunities Inc.	The Key Terrace LLC Kettering, Ohio	16	Rental	\$400,000
The Huntington National Bank Columbus, Ohio	Yellow Springs Home Inc.	Forest Village Homes 2016 Yellow Springs, Ohio	6	Rental	\$249,999
The Huntington National Bank Columbus, Ohio	Community Housing Network Inc.	2016 Laurel Green Columbus, Ohio	8	Rental	\$200,000
The Huntington National Bank Columbus, Ohio	Community Housing Network Inc.	2016 Parsons Place Columbus, Ohio	12	Rental	\$200,000
The Huntington National Bank Columbus, Ohio	Lutheran Social Services of Central Ohio	Faith Mission Columbus, Ohio	35	Rental	\$200,000
The Huntington National Bank Columbus, Ohio	ICAN Inc.	The Enclave at Arbor Ridge Canton, Ohio	4	Rental	\$176,249
The Huntington National Bank Columbus, Ohio	Community Housing Network Inc.	Briggsdale Apartments II Columbus, Ohio	8	Rental	\$170,000
The Huntington National Bank Columbus, Ohio	County Corp	Brandt Meadows Dayton, Ohio	17	Rental	\$165,000
The Huntington National Bank Columbus, Ohio	Medina Creative Housing Inc.	Wadsworth Creative Living Wadsworth, Ohio	4	Rental	\$88,608
KeyBank Cincinnati, Ohio	Lakewood Senior Citizens Inc.	Westerly II Lakewood, Ohio	154	Rental	\$1,000,000
KeyBank Cincinnati, Ohio	Adams Brown Counties Economic Opportunities Inc.	ABCAP Housing Renovations Fayetteville and Georgetown, Ohio	33	Rental	\$460,124
KeyBank Cincinnati, Ohio	YWCA Dayton	2016 YWCA Dayton PSH Dayton, Ohio	35	Rental	\$350,965

Applicant/Location	Sponsor	Project Name/Location	Units	Project Type	Grant Amount
Liberty National Bank Ada, Ohio	Residential Administrators Inc.	Peak of Ohio Apartments Bellefontaine, Ohio	12	Rental	\$299,988
Ohio Capital Finance Corp. Columbus, Ohio	Catholic Charities Housing Corp.	Lorain Shelter, Lorain, Ohio Lorain, Ohio	50	Rental	\$687,500
Ohio Capital Finance Corp. Columbus, Ohio	Warren Housing Development Corp.	Parkman Landing for Seniors Warren, Ohio	60	Rental	\$600,000
Ohio Capital Finance Corp. Columbus, Ohio	Miami Valley Housing Opportunities Inc.	The Key Terrace LLC Kettering, Ohio	24	Rental	\$600,000
Ohio Capital Finance Corp. Columbus, Ohio	ICAN Inc.	The Enclave at Arbor Ridge Canton, Ohio	10	Rental	\$411,246
Ohio Capital Finance Corp. Columbus, Ohio	County Corp	Brandt Meadows Dayton, Ohio	38	Rental	\$385,000
Ohio Capital Finance Corp. Columbus, Ohio	YWCA Dayton	2016 YWCA Dayton PSH Dayton, Ohio	30	Rental	\$298,970
The Park National Bank Newark, Ohio	Pike Metropolitan Housing Authority	Vansant Commons Piketon, Ohio	97	Rental	\$625,000
The Park National Bank Newark, Ohio	Habitat for Humanity of Southeast Ohio	HFHSEO 2016-19 Project Logan, Middleport, Multiple, Stockport and Zanesville, Ohio	10	Ownership	\$250,000
The Park National Bank Newark, Ohio	Sanclare Properties, LLC	2016 Kings Mill Plaza Dayton, Ohio	8	Rental	\$200,000
The Park National Bank Newark, Ohio	Community Housing Network Inc.	Northwest Boulevard 2016 Upper Arlington, Ohio	8	Rental	\$110,000
The Park National Bank Newark, Ohio	Habitat for Humanity of Greater Cincinnati	HFH of Greater Cincinnati 2016 Cincinnati, Ohio	5	Ownership	\$87,500
RiverHills Bank Milford, Ohio	Neighborhood Housing Partnership of Greater Springfield	The Community Gardens Springfield, Ohio	50	Rental	\$704,293
RiverHills Bank Milford, Ohio	Adams Brown Counties Economic Opportunities Inc.	ABCAP Housing Renovations Fayetteville and Georgetown, Ohio	25	Rental	\$337,318
RiverHills Bank Milford, Ohio	Gardner Capital Development Ohio, LLC	Bond Hill Roselawn Senior Housing Cincinnati, Ohio	50	Rental	\$214,042
Signature Bank, N.A. Toledo, Ohio	Neighborhood Properties Inc.	Byrne Road Toledo, Ohio	24	Rental	\$514,656
Third Federal Savings and Loan Association of Cleveland Cleveland, Ohio	Community Housing Solutions	CHS Home Repair Cleveland and Maple Heights, Ohio	30	Ownership	\$300,000
Third Federal Savings and Loan Association of Cleveland Cleveland, Ohio	Medina Creative Housing Inc.	Wadsworth Creative Living Wadsworth, Ohio	12	Rental	\$265,822
TENNESSEE					
Bank of Bartlett Bartlett, Tenn.	Habitat for Humanity of Greater Memphis	Aging in Place 2017 Memphis, Tenn.	45	Ownership	\$240,000
Bank of Cleveland Cleveland, Tenn.	Habitat for Humanity of Cleveland	Habitat of Cleveland (Tenn.) Builds 2017/2020 Cleveland, Tenn.	9	Ownership	\$161,761
Bank of Putnam County Cookeville, Tenn.	Crossville Housing Authority	Autumn Terrace II Crossville, Tenn.	12	Rental	\$250,000
Bank of Tennessee Kingsport, Tenn.	Appalachia Service Project	New Build 2016 Greeneville, Johnson City, Kingsport, Mountain City and Tazewell, Tenn.	9	Ownership	\$225,000
Bank of Tennessee Kingsport, Tenn.	Holston Habitat for Humanity	Holston Habitat Community Impact Bristol, Elizabethton, Johnson City and Kingsport, Tenn.	10	Ownership	\$178,195

Applicant/Location	Sponsor	Project Name/Location	Units	Project Type	Grant Amount
Peoples Bank Clifton, Tenn.	Buffalo Valley Inc.	Buffalo Valley, Inc-2016 Chattanooga McDowell Chattanooga, Tenn.	4	Rental	\$200,000
Pinnacle Bank Nashville, Tenn.	Habitat for Humanity of Greater Nashville	Habitat for Humanity of Greater Nashville 2016 Antioch, Dickson, Lebanon and Nashville, Tenn.	40	Ownership	\$850,000
Pinnacle Bank Nashville, Tenn.	Habitat for Humanity Williamson-Maury	2016 HFHWM AHP Columbia, Fairview and Franklin, Tenn.	20	Ownership	\$275,000
Pinnacle Bank Nashville, Tenn.	Rutherford County Area Habitat for Humanity	2016 Rutherford County Area Habitat for Humanity Build La Vergne, Murfreesboro, and Smyrna, Tenn.	10	Ownership	\$250,000
Pinnacle Bank Nashville, Tenn.	Senior Citizens Home Assistance Service Inc.	2016 Cedar Point Living Tazewell, Tenn.	9	Rental	\$133,280
SouthEast Bank Farragut, Tenn.	Loudon County Habitat for Humanity Inc.	2016 Hope Haven Sunset Loudon, Tenn.	5	Ownership	\$104,000
SouthEast Bank Farragut, Tenn.	Loudon County Habitat for Humanity Inc.	2016 Loudon Rehab United Loudon, Tenn.	6	Ownership	\$44,000
TNBANK Oak Ridge, Tenn.	Habitat for Humanity of Anderson County	2016 Not In Our City Oak Ridge, Tenn.	3	Ownership	\$52,200
OTHER STATES					
U.S. Bank Cincinnati, Ohio	Norfolk Housing Development Corp.	Skyline Apartments (fka Odd Fellow Manor) Norfolk, Neb.	92	Rental	\$779,906
TOTALS			2,062		\$27,629,333

2016 AFFORDABLE HOUSING ADVISORY COUNCIL

The Advisory Council helps to set the direction for the FHLB's affordable housing and community lending programs by advising the Board of Directors and management on affordable housing and economic development needs within the Fifth District.

Don R. Alexander (Council Vice Chair), Executive Director
Crossville Housing Authority
Crossville, Tenn.

Cecil F. Dunn, Executive Director
HOPE Center
Lexington, Ky.

Doug A. Garver, Executive Director
Ohio Housing Finance Agency
Columbus, Ohio

Steven D. Gladman (Council Chair), President
The Affordable Housing Trust for Columbus and
Franklin County
Columbus, Ohio

James E. Harbison, Executive Director
Metropolitan Development and Housing Agency
Nashville, Tenn.

Natalie H. Harris, Executive Director
The Coalition for the Homeless Inc.
Louisville, Ky.

Danny Herron, President and CEO
Habitat for Humanity of Greater Nashville
Nashville, Tenn.

Kenneth Jay Kittenbrink, Executive Director
Episcopal Retirement Homes Inc.
Cincinnati, Ohio

David L. Kreher, Executive Director
People's Self-Help Housing Inc.
Vanceburg, Ky.

Linda G. Leathers, Chief Executive Officer
The Next Door Inc.
Nashville, Tenn.

Thomas K. Stone, Executive Director
Mt. Pleasant NOW Development Corp.
Cleveland Heights, Ohio

Debbie Watts Robinson, Chief Executive Officer
Miami Valley Housing Opportunities
Dayton, Ohio

Tammy K. Weidinger, President & CEO
Brighton Center Inc.
Newport, Ky.

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

Jeffrey J. Woda, Principal
The Woda Group Inc.
Westerville, Ohio

HOUSING & COMMUNITY INVESTMENT DEPARTMENT

Damon v. Allen, Senior Vice President and Community Investment Officer

Herman Bowling, Vice President

Dawn E. Grace, HCI Manager

Brenda A. Pierre, Housing Quality Assurance Officer

Mary J. Batchelor, Administrative Assistant

Affordable Housing Program

Mary L. Hernandez, Affordable Housing Program Manager

Cassandra L. Larcarte, Housing Financial Analyst II

Laura K. Overton, Housing Financial Analyst II

Justin A. Ratz, Housing Financial Analyst II

David M. Samples, Housing Financial Analyst I

Samantha M. Walker, Housing Financial Analyst I

Welcome Home Program and Voluntary Programs

Jill A. Cravens, Voluntary Programs Manager

Jasmine P. Grant, Housing Financial Analyst

Kristina L. Jordan, Housing Program Assistant

Jodi M. Pendleton, Housing Financial Analyst

