



2017 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 2017, and to provide a look ahead as well. In 2017, the FHLB awarded or disbursed \$139.8 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 2016 earnings, the FHLB accrued \$30.2 million for the 2017 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 \$28.6 million in AHP grants for the creation or preservation of 2,396 units of affordable housing. Among those units, 1,230 will serve the elderly; 166 will serve the homeless and 606 will serve persons with disabilities or recovering from substance addiction.

Additionally, the FHLB disbursed \$10.5 million for down payment and closing cost assistance for 2,126 homebuyers through Welcome Home. Welcome Home remains our most popular product, combining ease of use with immediate homeowner benefit.

Based on FHLB earnings for 2017, we accrued \$35.1 million for the 2018 AHP and Welcome Home offerings. Changes to the 2018 AHP Implementation Plan reflect the shifting needs of the Fifth District. These changes were designed to either provide clarification where needed, or expand limits to encourage a broader pool of projects. Some of the material changes to our 2018 AHP Implementation Plan include:

- Raised the maximum allowable interest rate to homebuyers receiving AHP or Welcome Home subsidy from 7.25 percent to 7.50 percent. This change reflects the current market conditions as well as expands the pool of homebuyers eligible for AHP subsidies.
- Raised the maximum amount of AHP subsidy that a member can apply for, from \$4.5 million to \$5.0 million, as well as increased the maximum Total Project Cost per unit from \$185,000 to \$200,000 per unit. These changes reflect the changing market conditions in the District and allow members to access more AHP funds as needed.
- Scoring changes to encourage mixed-income projects.
- Revised language to clarify the requirements and process for requesting project modifications.

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 Carol M. Peterson Housing Fund (CMPHF) and the Disaster Reconstruction Program. 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 2017, \$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 218 households in the Fifth District.

For 2018, the Board of Directors authorized another \$1.5 million for the program. In addition to the 2018 authorization, the FHLB has disbursed \$7.6 million since 2010 on behalf of approximately 1,456 households in honor of Ms. Peterson and her commitment to serve low- and moderate-income, special needs households throughout the Fifth District.

In addition to the CMPHF, the FHLB also voluntarily fund's 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, more than \$3.4 million has been disbursed from this fund to assist 207 households reestablish housing. In 2017, about \$1.6 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 2017, we disbursed \$97.8 million in Advances and Letters of Credit to ten members. Likewise, eight members received \$1 million 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,



Kenneth "Jay" Kittenbrink
Chair, FHLB Advisory Council



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



Andrew S. Howell
FHLB President and CEO

PROGRAMS SUMMARY

During 2017, 222 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 2017, the Board approved \$1.5 million for the fund. Nearly \$1.4 million was disbursed to assist 218 households.

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 2017, we disbursed more than \$3.4 million to 207 households whose homes were damaged or destroyed.

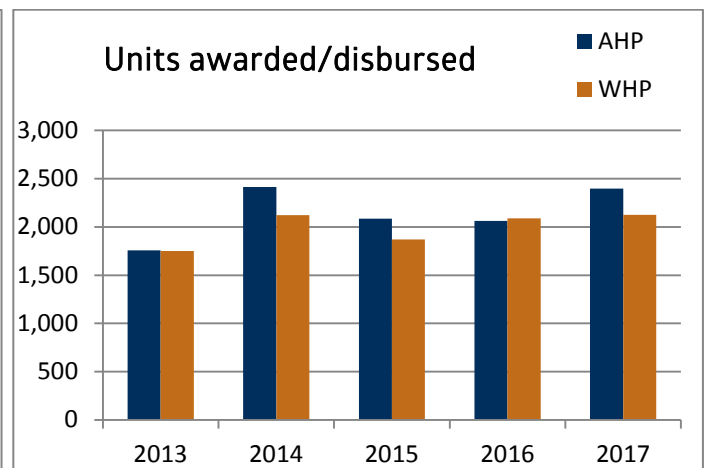
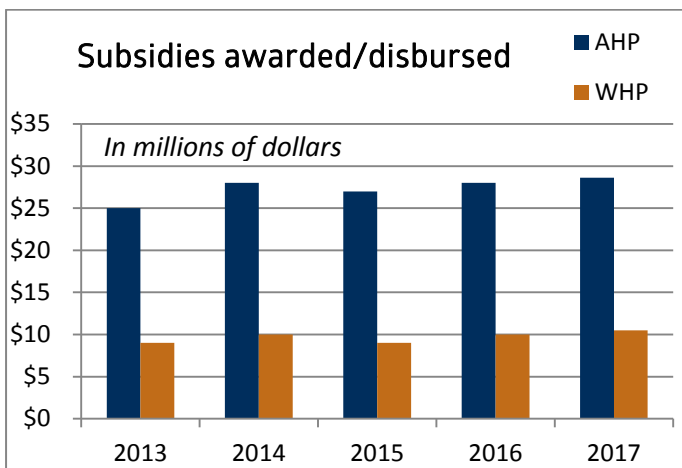
Affordable Housing Program. In 2017, 35 members were awarded 65 grants totaling \$28.6 million through the Affordable Housing Program (AHP). These awards will create 2,396 units of affordable owner-occupied and rental housing. Since the program’s inception in 1990, the FHLB has awarded over \$506 million in grants to help create 52,582 units of affordable housing, with a total development cost of \$4.7 billion.

Welcome Home Program. Each year, up to 35 percent of AHP funds is reserved for downpayment assistance under Welcome Home. In 2017, the FHLB disbursed nearly \$10.5 million in Welcome Home grants through 172 members as downpayment and closing cost assistance grants to help 2,126 individuals and families purchase affordable homes. Since Welcome Home’s inception in 1998, the FHLB has disbursed \$133.1 million to help some 27,508 families become homeowners.

Under AHP, through affordable housing subsidies and Welcome Home, the FHLB has awarded or disbursed \$639 million for the creation of 80,090 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 2017, \$98.7 million in CIP/EDP/ZIF funding was disbursed through 18 member institutions.

FHLB AHP and Welcome Home Summary Charts ★ 2012 – 2016



Affordable Housing Program 2017 Awards

Applicant/Location	Sponsor	Project Name/Location	Units	Project Type	Grant Amount
KENTUCKY					
Commercial Bank Harrogate, Tenn.	Cumberland Valley Housing Corp	Anna Lee Village Harlan, Ky.	32	Rental	\$299,786
Commonwealth Bank and Trust Co. Louisville, Ky.	House of Ruth Inc.	House of Ruth East Kentucky Louisville, Ky.	2	Rental	\$100,000
Community Trust Bank Inc., Pikeville, Ky.	Lexington Habitat for Humanity	LHFH 2017 New Construction Application Lexington, Ky.	5	Ownership	\$125,000
Community Trust Bank Inc. Pikeville, Ky.	Sandy Valley Habitat for Humanity, Inc.	2017 Burdsal Valley Phase 1 Pike County, Ky.	5	Ownership	\$249,996
Farmers State Bank Booneville, Ky.	Partnership Housing Inc.	2017 PH Homeowner Rehabilitation Project Booneville, Ky.	10	Ownership	\$150,000
Farmers State Bank Booneville, Ky.	Partnership Housing Inc.	2017 PH Homeownership Project Booneville, Ky.	10	Ownership	\$212,490
Field & Main Bank Henderson, Ky.	Habitat for Humanity of Henderson Ky.	HFH of Henderson 2017 Henderson, Ky.	4	Ownership	\$100,000
FNB Bank Inc. Mayfield, Ky.	Murray Calloway County Habitat for Humanity	Murray Calloway Co. HFH 2017 Murray, Ky.	1	Ownership	\$13,750
Forcht Bank Lexington, Ky.	KCEOC Community Action Partnership	KCEOC Housing Development Project 2017 Barbourville and Fourmile, Ky.	2	Ownership	\$61,499
Kentucky Bank Paris, Ky.	Frontier Housing Inc.	2017 Mattie Lee and Scattered Site Affordable Housing Project Montgomery, Bath, Carter, & Rowan counties, Ky.	10	Ownership	\$250,000
Peoples Bank & Trust Co. of Madison County Berea, Ky.	Habitat for Humanity of Madison & Clark Counties	2017 7 House Madison Clark Richmond and Winchester, Ky.	7	Ownership	\$148,356
Republic Bank & Trust Co. Louisville, Ky.	Habitat for Humanity of Metro Louisville	Habitat Louisville 2017 AHP Homes Louisville, Ky.	15	Ownership	\$315,000
Republic Bank & Trust Co; Louisville, Ky.	Lighthouse Recovery Services Inc.	Lighthouse Recovery Women's Group Home Owensboro, Ky.	9	Rental	\$128,250
RiverHills Bank Milford, Ohio	AU Associates Inc.	Lindbergh Landing at Meadowthorpe Lexington, Ky.	61	Rental	\$442,500
The Cecilian Bank Elizabethtown, Ky.	Wabuck Development Company Inc.	Quail Hollow II Inez, Ky.	24	Rental	\$174,298
The Cecilian Bank Elizabethtown, Ky.	Parkland Manor Inc.	Holley Manor South Shore, Ky.	48	Rental	\$450,000
The Cecilian Bank Elizabethtown, Ky.	Wabuck Development Company Inc.	Lebanon Junction Gates Lebanon Junction, Ky.	16	Rental	\$121,194

Applicant/Location	Sponsor	Project Name/Location	Units	Project Type	Grant Amount
The Cecilian Bank Elizabethtown, Ky.	Wabuck Development Company Inc.	Holley Manor Annex South Shore, Ky.	41	Rental	\$400,000
Traditional Bank Inc. Mount Sterling, Ky.	Gateway Juvenile Diversion Project, Inc.	Gateway Children's Shelter Purchase Mount Sterling, Ky.	28	Rental	\$420,000
U.S. Bank Cincinnati, Ohio	Brighton Properties Inc.	Saratoga Place II Newport, Ky.	48	Rental	\$402,584
United Community Bank of West Kentucky Inc. Morganfield, Ky.	Union County Habitat For Humanity Inc.	Union Co. HFH 2017 Morganfield, Ky.	3	Ownership	\$63,750
Whitaker Bank Lexington, Ky.	Scott County Habitat for Humanity	SCHF17 Georgetown and Paris, Ky.	3	Ownership	\$127,928

OHIO

Civista Bank Sandusky, Ohio	Habitat for Humanity of Greater Dayton	2017 Habitat for Humanity of Greater Dayton Rehab Dayton and Xenia, Ohio	10	Ownership	\$159,158
The Commercial & Savings Bank of Millersburg, Millersburg, Ohio	OneEighty Inc.	Joan Van Orman Beacon House Wooster, Ohio	24	Rental	\$360,000
Commonwealth Bank and Trust Co., Louisville, Ky., and The Huntington National Bank, Columbus, Ohio	Cincinnati Metropolitan Housing Authority	Marquette Manor Senior Housing Cincinnati, Ohio	56	Rental	\$560,000
Fairfield Federal Savings and Loan Association of Lancaster, Lancaster, Ohio, and The Huntington National Bank, Columbus, Ohio	Lutheran Social Services of Central Ohio	CHOICES Columbus, Ohio	120	Rental	\$880,500
Field & Main Bank Henderson, Ky.	Pike Metropolitan Housing Authority	Quinn Court Chillicothe, Ohio	32	Rental	\$560,000
Fifth Third Bank, Cincinnati, Ohio	UP Development, LLC	Westhaven Columbus, Ohio	92	Rental	\$747,010
First Federal Savings and Loan Association of Lakewood, Lakewood, Ohio	Medina Creative Housing Inc.	Creative Living For Life Middleburg Heights, Ohio	16	Rental	\$182,500
Home City Federal Savings Bank, Springfield, Ohio, and The Huntington National Bank, Columbus, Ohio	Episcopal Retirement Services Affordable Living LLC	Sunrise Terrace New Carlisle, Ohio	48	Rental	\$655,483
The Huntington National Bank, Columbus, Ohio	Helping Osnauburg Prosper Economically Inc.	HOPE Senior Village East Canton, Ohio	40	Rental	\$400,000
The Huntington National Bank, Columbus, Ohio	Yellow Springs Home Inc.	Glen Cottages 2017 - Ownership Yellow Springs, Ohio	2	Ownership	\$92,000
The Huntington National Bank, Columbus, Ohio	Testa Enterprises Inc.	Buckhorn Village Newcomerstown, Ohio	50	Rental	\$271,278

Applicant/Location	Sponsor	Project Name/Location	Units	Project Type	Grant Amount
The Huntington National Bank, Columbus, Ohio	Yellow Springs Home Inc.	Glen Cottages 2017 - Rental Yellow Springs, Ohio	6	Rental	\$300,000
The Huntington National Bank, Columbus, Ohio	Community Housing Network Inc.	2017 Parsons Place Columbus Columbus, Ohio	62	Rental	\$906,078
The Huntington National Bank, Columbus, Ohio, and Civista Bank, Sandusky, Ohio	Miami Valley Housing Opportunities Inc.	General Franklin Dayton, Ohio	38	Rental	\$661,579
The Huntington National Bank, Columbus, Ohio	County Corp	2017 County Corp Home Repair Dayton, Ohio	20	Ownership	\$150,000
JPMorgan Chase Bank Columbus, Ohio	Cincinnati Union Bethel	Cincinnati Scholar House Cincinnati, Ohio	44	Rental	\$440,000
KeyBank, Cleveland, Ohio, and Cincinnati Development Fund, Cincinnati, Ohio	YWCA Dayton	2017 YWCA Dayton PSH Dayton, Ohio	65	Rental	\$1,000,000
KeyBank, Cleveland, Ohio, and Ohio Capital Finance Corp. Columbus, Ohio	Bay Inter-faith Housing	Knickerbocker Apartments Rehab 2017 Bay Village, Ohio	148	Rental	\$1,000,000
KeyBank, Cleveland, Ohio, and Ohio Capital Finance Corp. Columbus, Ohio	Adams Brown Counties Economic Opportunities Inc.	ABCAP Housing Renovations Fayetteville and Georgetown, Ohio	58	Rental	\$579,942
KeyBank Cleveland, Ohio	National Church Residences	Broadway Park Youngstown, Ohio	60	Rental	\$1,000,000
Ohio Capital Finance Corp. Columbus, Ohio, and The Huntington National Bank, Columbus, Ohio	County Corp	Brandt Meadows Dayton, Ohio	55	Rental	\$507,327
Ohio Capital Finance Corp. Columbus, Ohio	East Akron Neighborhood Development Corporation	Middlebury Commons Akron, Ohio	40	Rental	\$671,552
Ohio Capital Finance Corp., Columbus, Ohio; KeyBank Cleveland, Ohio; and Cincinnati Development Fund, Cincinnati, Ohio	Episcopal Retirement Services Affordable Living LLC	Madison Villa Cincinnati, Ohio	93	Rental	\$929,907
Ohio Capital Finance Corp. Columbus, Ohio, and The Huntington National Bank, Columbus, Ohio	Pike Metropolitan Housing Authority	Shyville Senior Living Piketon, Ohio	42	Rental	\$577,000
The Park National Bank, Newark, Ohio	Midwest Acquisitions & Management, LLC	2017 Dolly Rehab Dayton, Ohio	33	Rental	\$825,000
RiverHills Bank Milford, Ohio	Hope House Mission Inc.	2017 Grove Street PSH Middletown, Ohio	30	Rental	\$300,000
RiverHills Bank Milford, Ohio	Tender Mercies Inc.	The 821 Flats Cincinnati, Ohio	57	Rental	\$919,000
RiverHills Bank Milford, Ohio, and Ohio Capital Finance Corp. Columbus, Ohio	Homefull	Homefull Family Living Center Dayton, Ohio	34	Rental	\$746,400
Third Federal Savings and Loan Association of Cleveland, Cleveland, Ohio	Community Housing Solutions	CHS Home Repair Program Cleveland, Ohio	50	Ownership	\$500,000

Applicant/Location	Sponsor	Project Name/Location	Units	Project Type	Grant Amount
TENNESSEE					
Bank of Bartlett Bartlett, Tenn.	Habitat for Humanity of Greater Memphis	Aging in Place 2018 Memphis, Tenn.	30	Ownership	\$201,945
Bank of Putnam County Cookeville, Tenn.	Crossville Housing Authority	The Grove 2017 Crossville, Tenn.	4	Ownership	\$54,980
Bank of Tennessee Kingsport, Tenn.	Appalachia Service Project Inc.	New Build 2017 Elizabethton, Erwin, Gatlinburg, Johnson City, Kingsport, and Tazewell, Tenn.	15	Ownership	\$375,000
Bank of Tennessee Kingsport, Tenn.	Johnson City Housing Authority	Dunbar Apartments Johnson City, Tenn.	80	Rental	\$1,000,000
Bank of Tennessee Kingsport, Tenn.	Eastern Eight Community Development Corporation	2017 Kirkland Phase III Jonesborough, Tenn.	4	Rental	\$200,000
Pinnacle Bank Nashville, Tenn.	Urban Housing Solutions	26th & Clarksville Senior Building Nashville, Tenn.	52	Rental	\$1,000,000
Pinnacle Bank Nashville, Tenn.	Habitat for Humanity of Greater Nashville	Habitat for Humanity of Greater Nashville 2017 Dickson, Lebanon, and Nashville, Tenn.	40	Ownership	\$850,000
Pinnacle Bank Nashville, Tenn.	Knox Housing Partnership dba HomeSource of East Tennessee	The Village at Holston Place Knoxville, Tenn.	24	Rental	\$330,000
Reliant Bank Brentwood, Tenn.	Habitat for Humanity of Sumner County TN, Inc.	2017 Sumner County TN Habitat Gallatin, Tenn.	7	Ownership	\$162,785
OTHER STATES					
JPMorgan Chase Bank Columbus, Ohio	Housing Authority of the City of Tampa	Mary Bethune Highrise Tampa, Fla.	150	Rental	\$1,000,000
RiverHills Bank Milford, Ohio	Near East Area Renewal Inc.	Minnie Hartmann Center Indianapolis, Ind.	64	Rental	\$774,125
JPMorgan Chase Bank Columbus, Ohio	Catholic Charities	Generations at West Mesa Albuquerque, N.M.	54	Rental	\$450,000
Dollar Bank, F.S.B. Pittsburgh, PA	Pittsburgh Housing Development Corporation	Choice Neighborhood Homeowner Assistance Program Pittsburgh, Pa.	15	Ownership	\$150,000
U.S. Bank Cincinnati, Ohio	Lutheran Social Services of Wisconsin and Upper Michigan Inc.	The Lakeview at Franklin Franklin, Wisc.	48	Rental	\$400,000
TOTALS			2,396		\$28,586,930

2017 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, Executive Director
Crossville Housing Authority
Crossville, Tenn.

Steven D. Gladman, 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 (Council Vice Chair), President & CEO
Habitat for Humanity of Greater Nashville
Nashville, Tenn.

Kenneth "Jay" Kittenbrink, (Council Chair)
Executive Director
Episcopal Retirement Services 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.

J. Kathryn "Kathy" Peters, Executive Director/CEO
Kentucky Housing Corp.
Frankfort, Ky.

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

Dawn E. Grace, Assistant Vice President

Brenda A. Pierre, Housing Quality Assurance Officer

Laura K. Overton, Housing Financial Analyst II

Mary J. Batchelor, Administrative Assistant

Affordable Housing Program

Mary L. Hernandez, Affordable Housing Program Manager

Sarah C. Kiddy, Housing Financial Analyst II

Cassandra L. Larcarte, Housing Financial Analyst II

Jamie M. Board, Housing Financial Analyst

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 Financial Analyst

Jodi M. Pendleton, Housing Financial Analyst

