



# 2018 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 2018, and to provide a look ahead as well. In 2018, the FHLB awarded or disbursed \$114.2 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 2017 earnings, the FHLB accrued \$35.1 million for the 2018 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 \$29.3 million in AHP grants for the creation or preservation of 2,309 units of affordable housing. Among those units, 1,237 will serve the elderly; 172 will serve the homeless and 574 will serve persons with disabilities or recovering from substance addiction.

Additionally, the FHLB disbursed \$12.7 million for down payment and closing cost assistance for 2,553 homebuyers through Welcome Home. Welcome Home remains our most popular product, combining ease of use with immediate homeowner benefit.

Based on FHLB earnings for 2018, we accrued \$38 million for the 2019 AHP and Welcome Home offerings. Changes to the 2019 AHP Implementation Plan were made to 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 2019 AHP Implementation Plan include:

- Revised scoring criteria pertaining to outside funding commitments to include member permanent financing.
- Revised scoring criteria pertaining to community stability, awarding one point to encourage economic diversity.
- In accordance with the revised AHP regulation, language was added indicating that retention will no longer be required for ownership projects involving rehabilitation only. Retention will still be required on all other ownership projects.

We continue to review the new AHP regulation, and we thank the Federal Housing Finance Agency for listening to input from the Fifth District affordable housing community.

## 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, outside our congressional mandate, to support affordable housing in the Fifth District, 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 first Community Investment Officer and led the FHLB's housing and community investment 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 2018, \$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. With the 2018 allocation plus additional funding from previous years, nearly \$1.7 million was disbursed to assist 262 households in the Fifth District.

For 2019, the Board of Directors increased funding for the program to \$2.1 million, of which \$100,000 will help support the Jimmy and Rosalynn Carter Work Project in Nashville in October 2019. As of year-end 2018, the FHLB has disbursed \$9.3 million on behalf of approximately 1,718 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 funds the Disaster Reconstruction Program (DRP), 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 \$3.6 million has been disbursed to assist 220 households reestablish housing. In 2018, the Board approved \$3.6 million in new funds for DRP, replenishing it to \$5 million.

### 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 2018, we disbursed \$69.5 million in Advances to 10 members. Likewise, seven members received \$895,000 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,



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 2018, 234 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 2018, the Board approved \$1.5 million for the fund. However, utilizing funds from previous years, the FHLB disbursed \$1.7 million to assist 262 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. By year-end 2018, we disbursed nearly \$3.6 million to 220 households whose homes were damaged or destroyed. During 2018, the Board approved another \$3.6 million for the fund, which when combined with the remaining funds available under the original authorization, brings the disaster funds available back up to \$5 million.

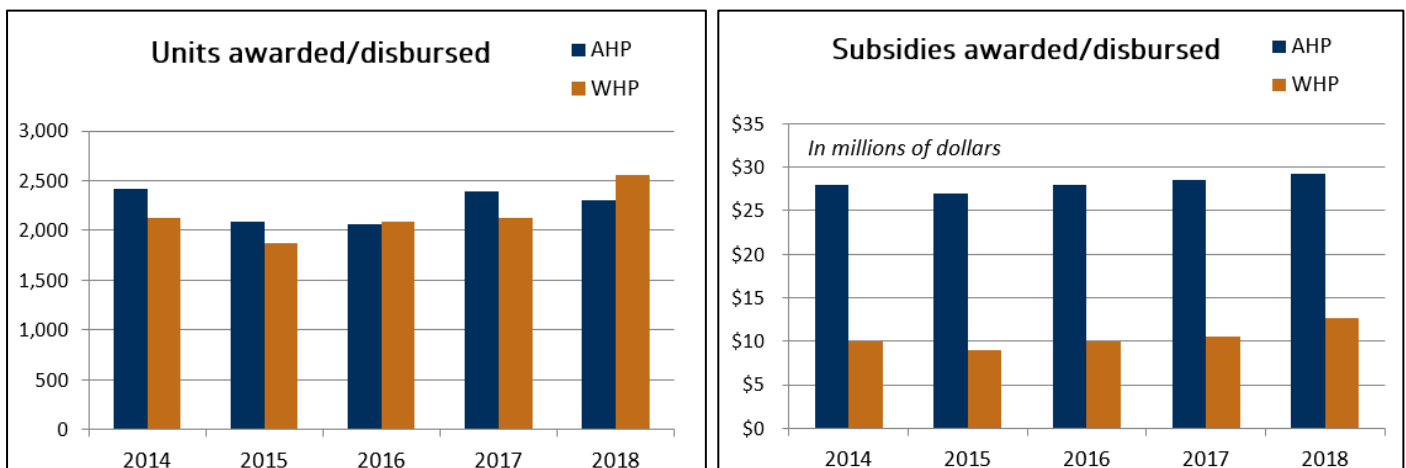
**Affordable Housing Program.** In 2018, 40 members were awarded 67 grants totaling \$29.3 million through the Affordable Housing Program (AHP). These awards will finance 2,309 units of affordable owner-occupied and rental housing. Since the program's inception in 1990, the FHLB has awarded more than \$535 million in grants to help fund 54,891 units of affordable housing, with a total development cost of \$4.9 billion.

**Welcome Home Program.** Each year, up to 35 percent of AHP funds is reserved for downpayment assistance under Welcome Home. In 2018, the FHLB disbursed nearly \$12.7 million in Welcome Home grants through 188 members as downpayment and closing cost assistance grants to help 2,553 individuals and families purchase affordable homes. Since Welcome Home's inception in 1998, the FHLB has disbursed \$145.8 million to help some 30,061 families become homeowners.

Under AHP, through affordable housing grants and Welcome Home, the FHLB has awarded \$704 million for the creation of 88,424 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 2018, \$70.4 million in CIP/EDP/ZIF funding was disbursed through 16 member institutions.

## FHLB AHP and Welcome Home Summary Charts, 2014-2018



## Affordable Housing Program 2018 Awards

Applicant/Location	Sponsor	Project Name/Location	Units	Project Type	Grant Amount
<b>KENTUCKY</b>					
1st Trust Bank Hazard, Ky.	Housing Development Alliance Inc.	2018 Homebuyer Hazard KY Leslie and Perry counties, Kentucky	12	Ownership	\$210,000
The Cecilian Bank Elizabethtown, Ky.	Parkland Manor Inc.	Ransdell Living and Learning Center Bowling Green, Ky.	16	Rental	\$648,000
Commercial Bank West Liberty, Ky.	Cave Run Habitat for Humanity	Cave Run Area HFH 2018 Carter, Morgan and Rowan counties, Kentucky	5	Ownership	\$125,000
Community Trust Bank Inc. Pikeville, Ky.	Lexington Habitat for Humanity	LHFH Homebuyer Program 2019 Fayette County, Ky.	20	Ownership	\$500,000
Field & Main Bank Henderson, Ky.	Habitat for Humanity of Henderson, KY	HFH of Henderson 2018 Henderson County, Ky.	7	Ownership	\$175,000
Field & Main Bank Henderson, Ky.	Daniel Pitino Shelter Inc.	Nicky Hayden Apartments Owensboro, Ky.	12	Rental	\$600,000
Fifth Third Bank Cincinnati, Ohio	Episcopal Retirement Services Affordable Living LLC	Walton Meadows Walton, Ky.	45	Rental	\$618,750
First United Bank and Trust Co. Madisonville, Ky.	Habitat for Humanity of Hopkins County	HFH of Hopkins Co. 2018 Hopkins County, Ky.	10	Ownership	\$250,000
Forcht Bank Lexington, Ky.	KCEOC Community Action Partnership Inc.	KCEOC Housing Development Project 2018 Knox County, Ky.	3	Ownership	\$95,287
The Huntington National Bank Columbus, Ohio	Episcopal Retirement Services Affordable Living LLC	Scheper Ridge Florence, Ky.	48	Rental	\$749,999
Jackson County Bank McKee, Ky.	Kentucky Mountain Housing Development Corp. Inc.	KMHDC 2018 Affordable Housing Initiative Clay and Owsley counties, Kentucky	10	Ownership	\$100,000
Limestone Bank Inc. Louisville, Ky.	The Housing Partnership Inc.	Beyond 9th Homeownership I Jefferson County, Ky.	13	Ownership	\$130,000
Limestone Bank Inc. Louisville, Ky.	The Housing Partnership Inc.	Beyond 9th Homeownership II Jefferson County, Ky.	13	Ownership	\$130,000
Limestone Bank Inc. Louisville, Ky.	The Housing Partnership Inc.	Homes for Heroes Jefferson County, Ky.	5	Ownership	\$125,000
The Murray Bank, FSB Murray, Ky.	West Kentucky Allied Services Inc.	West Kentucky Home Uplift Program Marshall County, Ky.	35	Ownership	\$200,000
Ohio Capital Finance Corp. Columbus, Ohio	Lexington Home Ownership Commission Inc.	Ballard Apartments Lexington, Ky.	134	Rental	\$484,207
Peoples Exchange Bank Winchester, Ky.	Beattyville Housing and Development Corp. Inc.	Beattyville Homeowner Rehab Project Lee and Wolfe counties, Ky.	12	Ownership	\$120,000
Republic Bank & Trust Co. Louisville, Ky.	Habitat for Humanity of Metro Louisville Inc.	HFHML and FHLB Building Dreams 2018 Jefferson County, Ky.	8	Ownership	\$160,000
South Central Bank Inc. Glasgow, Ky.	Habitat for Humanity of Hardin County KY Inc.	Hardin Co. HFH 2018 Hardin County, Ky.	10	Ownership	\$250,000

Applicant/Location	Sponsor	Project Name/Location	Units	Project Type	Grant Amount
<b>OHIO</b>					
The Affordable Housing Trust of Columbus & Franklin County, Columbus, Ohio, and The Huntington National Bank, Columbus, Ohio	Community Housing Network Inc.	CHN Marsh Brook Place 2018 Columbus, Ohio	40	Rental	\$500,000
The Affordable Housing Trust of Columbus & Franklin County, Columbus, Ohio, and The Huntington National Bank, Columbus, Ohio	Community Housing Network Inc.	CHN Parsons Place 2018 Columbus, Ohio	62	Rental	\$1,000,000
Cincinnati Development Fund, Cincinnati, Ohio, and KeyBank, Cleveland, Ohio	Housing Network of Hamilton County Inc.	Hamilton County 12 unit Springdale, Ohio	12	Rental	\$500,000
Civista Bank Sandusky, Ohio	Habitat for Humanity of Greater Dayton Inc.	2018 Building Brighter Futures Montgomery and Greene counties, Ohio	10	Ownership	\$200,000
Field & Main Bank Henderson, Ky.	Association for Homes Inc.	Bainbridge Manor Bainbridge, Ohio	49	Rental	\$384,000
Fifth Third Bank Cincinnati, Ohio	Talbert Services Inc.	Logan Towers PSH Cincinnati, Ohio	63	Rental	\$1,000,000
First Federal Savings and Loan Association of Lakewood Lakewood, Ohio	Greater Cleveland Habitat for Humanity	Greater Cleveland Habitat Homes I Cuyahoga County, Ohio	20	Ownership	\$350,000
First Financial Bank Cincinnati, Ohio	Working In Neighborhoods	South Cumminsville Net Zero Urban Village Hamilton County, Ohio	5	Ownership	\$160,000
Heritage Bank Inc., Burlington, Ky., and RiverHills Bank, Milford, Ohio	Hope House Mission Inc.	Grove Street Shelter Middletown, Ohio	50	Rental	\$750,000
Heritage Bank Inc., Burlington, Ky., and RiverHills Bank, Milford, Ohio	Hope House Mission Inc.	Grove Street PSH 2018 Middletown, Ohio	30	Rental	\$750,000
Home Savings Bank, Youngstown, Ohio, and The Huntington National Bank, Columbus, Ohio	Community Support Services Inc.	Stoney Pointe Commons II Akron, Ohio	45	Rental	\$696,900
The Huntington National Bank Columbus, Ohio	Burten, Bell, Carr Development Inc.	Colfax Family Homes Cleveland, Ohio	36	Rental	\$360,000
The Huntington National Bank Columbus, Ohio	Yellow Springs Home Inc.	Glen Cottages For-Sale Phase II Greene County, Ohio	2	Ownership	\$70,000
The Huntington National Bank Columbus, Ohio	Urban Mission Ministries Inc.	2018 Steubenville, OH - Urban Mission Jefferson County, Ohio	8	Ownership	\$74,000
The Huntington National Bank Columbus, Ohio	Testa Enterprises Inc.	Buckhorn Village Newcomerstown, Ohio	50	Rental	\$852,850
The Huntington National Bank Columbus, Ohio	Family & Community Services Inc.	Valor Home-Lorain II Lorain, Ohio	12	Rental	\$600,000
KeyBank, Cleveland, Ohio and Cincinnati Development Fund, Cincinnati, Ohio	Episcopal Retirement Services Affordable Living LLC	Westminster Court I Blanchester, Ohio	64	Rental	\$879,936

Applicant/Location	Sponsor	Project Name/Location	Units	Project Type	Grant Amount
KeyBank, Cleveland, Ohio, and Cincinnati Development Fund, Cincinnati, Ohio	THE Model Group Inc.	The Manse Apartments Cincinnati, Ohio	60	Rental	\$1,000,000
KeyBank, Cleveland, Ohio, and Ohio Capital Finance Corp., Columbus, Ohio	MVAH Holding LLC	Oregon Senior Lofts Oregon, Ohio	81	Rental	\$500,000
Ohio Capital Finance Corp., Columbus, Ohio, and KeyBank, Cleveland, Ohio	Omega Community Development Corp.	Omega Senior Lofts Dayton, Ohio	81	Rental	\$750,000
Ohio Capital Finance Corp., Columbus, Ohio, and KeyBank, Cleveland, Ohio	Episcopal Retirement Services Affordable Living LLC	Westminster Court II Blanchester, Ohio	50	Rental	\$1,000,000
The Park National Bank Newark, Ohio	Habitat for Humanity of Greater Cincinnati	HFH of Greater Cincinnati 2018 Hamilton and Warren counties, Ohio	15	Ownership	\$206,250
The Park National Bank Newark, Ohio	Habitat for Humanity of Greater Cincinnati	HFH of Greater Cincinnati AHP #2 Hamilton and Warren counties, Ohio	15	Ownership	\$375,000
The Park National Bank Newark, Ohio	Habitat for Humanity of Southeast Ohio	HFHSEO 19-21 AHP Project Muskingum and Perry counties, Ohio	10	Ownership	\$250,000
The Park National Bank Newark, Ohio	Clermont Senior Services Inc.	The Oakwood Cincinnati, Ohio	77	Rental	\$1,000,000
The Park National Bank Newark, Ohio	Buckeye Ridge Habitat for Humanity Inc.	Buckeye Ridge New and Rehab 2018-2021 Marion County, Ohio	5	Ownership	\$106,250
RiverHills Bank Milford, Ohio	Ironton & Lawrence County Area Community Action Organization	Rockwood Landing Chesapeake, Ohio	56	Rental	\$980,000
Signature Bank Toledo, Ohio	Maumee Valley Habitat for Humanity	Maumee Valley Habitat for Humanity Homeownership Program Lucas County, Ohio	10	Ownership	\$200,000
Third Federal Savings and Loan Association of Cleveland Cleveland, Ohio	Community Housing Solutions	CHS Home Repair Program Cuyahoga County, Ohio	60	Ownership	\$600,000
<b>TENNESSEE</b>					
Bank of Bartlett Bartlett, Tenn.	Habitat for Humanity of Greater Memphis	Aging in Place 2019 Shelby County, Tenn.	140	Ownership	\$699,000
Bank of Cleveland Cleveland, Tenn.	Habitat for Humanity of Cleveland	Habitat of Cleveland (TN) Builds 2019-2022 Bradley County, Tenn.	12	Ownership	\$216,000
Bank of Putnam County Cookeville, Tenn.	Highlands Residential Services	Oak Tree Tower Cookeville, Tenn.	50	Rental	\$687,450
Bank of Tennessee Kingsport, Tenn.	Appalachia Service Project Inc.	ASP New Build TN 2018-AHP Hancock and Washington counties, Tenn.	15	Ownership	\$375,000
Coffee County Bank Manchester, Tenn.	Manchester Housing Authority	Oakdale Apartments Manchester, Tenn.	8	Rental	\$136,000
First & Farmers National Bank Inc. Somerset, Ky.	Wabuck Development Co. Inc.	Rhyan Ridge Apartments Byrdstown, Tenn.	68	Rental	\$680,000

Applicant/Location	Sponsor	Project Name/Location	Units	Project Type	Grant Amount
First & Farmers National Bank Inc. Somerset, Ky.	Wabuck Development Co. Inc.	Matthew Manor Kodak, Tenn.	56	Rental	\$560,000
First Community Bank of Tennessee Shelbyville, Tenn.	Shelbyville Housing Authority	Highland Court 2 Shelbyville, Tenn.	6	Rental	\$82,494
First Tennessee Bank Memphis, Tenn.	Habitat for Humanity Jackson TN Area	103 & 104 Madison County, Tenn.	2	Ownership	\$40,000
First Tennessee Bank Memphis, Tenn.	Oasis of Hope Inc.	Oasis Senior Housing Memphis, Tenn.	3	Rental	\$73,500
Home Federal Bank of Tennessee Knoxville, Tenn.	Knoxville's Housing Development Corp.	Clifton Road Development Knoxville, Tenn.	53	Rental	\$940,000
Home Federal Bank of Tennessee Knoxville, Tenn.	Helen Ross McNabb Center	Mineral Springs Manor Knoxville, Tenn.	50	Rental	\$1,000,000
Home Federal Bank of Tennessee Knoxville, Tenn.	Knoxville-Knox County Community Action Committee	Knoxville Home Uplift Program Knox County, Tenn.	100	Ownership	\$500,000
Pinnacle Bank Nashville, Tenn.	MDHA Housing Trust Corp.	Middle Tennessee, Nashville, Home Uplift Program Davidson County, Tenn.	100	Ownership	\$500,000
Pinnacle Bank Nashville, Tenn.	Rutherford County Area Habitat for Humanity	Rutherford County Area Habitat for Humanity 2018 Rutherford County, Tenn.	4	Ownership	\$100,000
Pinnacle Bank Nashville, Tenn.	Green Spaces	Chattanooga Home Uplift Program Hamilton County, Tenn.	100	Ownership	\$500,000
SouthEast Bank Farragut, Tenn.	Loudon County Habitat for Humanity	2018 Loudon Habitat Critical Repair Loudon County, Tenn.	3	Ownership	\$36,000
TNBANK Oak Ridge, Tenn.	Habitat for Humanity of Anderson County	2020 Vision Anderson County, Tenn.	3	Ownership	\$52,200
<b>WEST VIRGINIA</b>					
RiverHills Bank Milford, Ohio	Neighborhood Development Services Inc.	Parkersburg Elderly Housing Parkersburg, W.Va.	40	Rental	\$400,000
<b>TOTALS</b>			<b>2,309</b>		<b>\$29,344,073</b>

# 2018 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.

**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 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.

**Marcia E. Lewis**, Executive Director  
Memphis Housing Authority  
Memphis, Tenn.

**Ralph Perrey**, Executive Director  
Tennessee Housing Development Agency  
Nashville, Tenn.

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

**Samantha A. Shuler**, Chief Executive Officer  
Community Housing Network  
Columbus, Ohio

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

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

## HOUSING & COMMUNITY INVESTMENT DEPARTMENT

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

**Dawn E. Grace**, Vice President

**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

**Jamie M. Board**, Housing Financial Analyst I

**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 I

**Kristina L. Jordan**, Housing Program Analyst I

**Jodi M. Pendleton**, Housing Financial Analyst I

FHLBCin.com | Housing & Community Investment | 888.345.2246

