



President's Message to Members

It was a busy fourth quarter at FHLB Cincinnati—we worked to meet the increased business demands of our members while continuing to support communities through our affordable housing programs.

We closed out the quarter with a 6.0 percent third quarter dividend announcement for our members—3.84 percentage points over average overnight interest rates for the third quarter of 2022. Our dividend is one of many ways we provide value for your membership investment. Over the years, dividend rates have moved in fairly close correlation with broader economic and financial conditions while being managed for stability. We hope you continue to find your investment in the FHLB to provide a competitive return.

Business volumes in the fourth quarter reached near-record levels as members returned for needed liquidity in the rising rate environment and continued to look for ways to secure public unit deposits. Our business model once again worked as intended—expanding and contracting to meet the needs of members. For 90 years, we have worked to be a vital partner to meet same day funding needs for our members no matter the economic conditions.

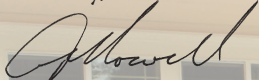
Our regulator, the Federal Housing Finance Agency, has been able to learn more about this critical aspect of our business model through their FHLBank System at 100 Review. While we've certainly heard from our critics, most feedback from the listening sessions and roundtables has been positive. We appreciate all of our members and sponsors who wrote letters as part of that effort and those who were involved in the listening sessions and roundtables directly—most recently FHLB Cincinnati Board Vice Chair Jim Vance who participated in the December 15, 2022 roundtable in Philadelphia. We anticipate another public comment period and encourage members to participate. Look for more information from us when it becomes available.

This last quarter was also filled with work to support the affordable housing aspect of our mission. Our recent Affordable Housing Program award recipients were announced in November, resulting in \$12.1 million in AHP subsidy to help produce 1,537 units of affordable housing. This includes a \$3 million voluntary contribution from our Board of Directors which allowed us to increase the impact of this program throughout the Fifth District.

To help further the impact in the communities you serve, we announced some changes to our popular down payment assistance program Welcome Home. Funds will be available for reservation in both February and July in 2023. Grant amounts for this program have also been increased to \$10,000 for homebuyers and \$15,000 for veterans—historical highs for the program.

You will find additional details about our housing programs, dividend rates and more on our website at www.fhlbcin.com. As always, we appreciate your business and the strong cooperative partnership you allow us to provide as your Federal Home Loan Bank of Cincinnati.

Sincerely,



Andrew S. Howell, President and CEO

Director Election Results Announced

FHLB members elected five directors in the 2022 Board of Directors election. Two Tennessee member directors were newly elected and one Ohio member director and two independent directors were re-elected. All five will serve four-year terms that commenced January 1, 2023.

From Ohio, **Michael P. Pell** was re-elected; from Tennessee, **H. McCall Wilson Jr.** and **Roy Molitor (Mott) Ford Jr.** were elected. **L. Scott Spivey**, Cincinnati, Ohio, and **Nancy E. Uridil**, Avon Lake, Ohio, were re-elected to serve as Independent Directors.

Additionally, the Board re-elected **J. Lynn Anderson**, retired banking and insurance executive, Columbus, Ohio, to serve as Chair of the Board. Her two-year term commenced January 1, 2023, and expires December 31, 2024.



Michael P. Pell



H. McCall Wilson Jr.



Roy Molitor (Mott) Ford Jr.



L. Scott Spivey



Nancy E. Uridil



J. Lynn Anderson

Allen Promoted to Chief Marketing and Community Investment Officer



Damon V. Allen has been promoted to Senior Vice President, Chief Marketing and Community Investment Officer. In this role, he will provide overall leadership and strategic direction for the Housing and Community Investment and Marketing functions.

Damon joined the Bank in the Credit Services department and transferred to the Housing and Community Investment department where he was promoted to SVP, Housing & Community Investment Officer in 2012.

Damon received his Bachelor of Arts in Accounting from Howard University and his Masters of Business Administration, Finance and International Business, from the University of Miami. Damon also graduated from the Greater Cincinnati Urban League Leadership Program, received the ABA Stonier School of Banking Diploma, the Wharton School of Business Leadership certificate and his Housing Development Finance Professional certification.

Welcome Home Program to Open February 6 and July 6, 2023

The Welcome Home Program (WHP) will be offered twice for 2023—opening at 8:00 a.m. ET on February 6 and July 6. The WHP offers grants to fund down payment and closing costs for low- and moderate-income homebuyers purchasing or constructing a primary residence. Grant funds will be reserved on a first-come, first-served basis until all funds have been reserved.

Also new for 2023:

- Each member is eligible to receive up to \$150,000 of WHP funds; and,
- Grant increased to \$10,000 for homebuyers or \$15,000 for honorably discharged veterans, active duty military, reservists and surviving spouses of service personnel.

All 2023 program documents and forms are currently available at www.fhlbcin.com.

Please contact the Housing and Community Investment department at 888-345-2246 with any questions.

Meet Montez Shugars



Montez Shugars has been with FHLB Cincinnati since 2009. Previously a member of the collateral review team, Montez now serves the Fifth District as Marketing Officer. In this role, he helps members in Ohio and Kentucky understand the FHLB value proposition and offers solutions to each member's unique needs.

He earned his undergraduate degree from the University of Cincinnati and a Master of Business Administration from Indiana Wesleyan University. Prior to joining the FHLB, Montez worked as an underwriter for 10 years. He is experienced in both residential and commercial real estate.

Montez lives with his wife, Jaqueline and enjoys CrossFit. His daughter, Taylor is a senior at the University of Cincinnati. If you have questions for Montez, he can be reached at ShugarsMK@fhlbcin.com.

Affordable Housing Program Awards Announced

The latest round of Affordable Housing Program (AHP) grants was approved by the FHLB's Board of Directors at its November 2022 meeting. A total of 36 members will receive nearly \$12.1 million in AHP subsidy to help produce 1,537 units of affordable housing for very low- to moderate-income residents. Of 48 project awards, 29 support owner-occupied housing and 19 support rental housing.

FHLB Cincinnati allocates 10 percent of its net income annually to the AHP, which makes housing more affordable for households at or below 80 percent of the area median income. This 10 percent allocation was enhanced by a \$3.0 million voluntary contribution to the AHP General Fund in September 2022. A full list of awards is available at www.fhlbcin.com.

The next AHP application deadline is July 21, 2023, with an award announcement coming in November.

FHLB Welcomes New Member

The FHLB welcomed the following new member stockholder in the last quarter:

- First Farmers & Commercial Bank, Pikeville, Tenn.

FHLB Cincinnati Promotes Eight Officers

In addition to the executive promotion, eight officers were approved for promotion by the Board of Directors. Congratulations to the following officers, whose promotions were effective January 1, 2023:

- **Christine (Christy) A. Flischel**, Vice President, Chief Information Security Officer (from Vice President, Information Security Office)
- **Judy M. Rose**, Vice President, Marketing (from Assistant Vice President, Relationship Manager)
- **Laura M. Gaffin**, Assistant Vice President, Communications Officer (from Communications Officer)
- **Charles E. Pitz**, Assistant Vice President, Technical Services Officer (from Technical Services Officer)
- **Larry D. Lauger**, Portfolio Strategy Officer (from Senior Portfolio Strategist)
- **Teresa (Tracy) J. Martini**, Credit Analysis Officer (from Credit Analysis Manager)
- **Pamela W. Rayome**, Customer Experience Officer (from Customer Experience Manager)
- **Brooke C. Smith**, Government Relations Officer (from Senior External Relations Manager)

Save the Date: Member Appreciation Events

The FHLB will be hosting Member Appreciation Golf events again in 2023. Please join us!

- Monday, April 24, Westhaven Golf Club, Franklin, Tenn.
- Monday, May 1, Coldstream Country Club, Cincinnati, Ohio
- Monday, May 8, Valhalla Golf Club, Louisville, Ky.
- Tuesday, May 16, Firestone Country Club, Akron, Ohio

Registration information will be available soon. A virtual Regional Stockholder Meeting will also be offered for all members on May 4 at 10:00 a.m. If you have any questions, please contact the Marketing department at (513) 852-7118.

Dividend Declaration and Payment

At its December 15, 2022, meeting, the FHLB's Board of Directors declared a dividend for the third quarter 2022 at a 6.00 percent annualized rate. The dividend payment occurred December 15 in the form of cash.

Calendar

February 6	Welcome Home Program First Offering; application process opens	February 20	Presidents Day; FHLB closed
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