



FEDERAL HOME LOAN BANK OF INDIANAPOLIS
Building Partnerships. Serving Communities.

NEWS RELEASE

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Federal Home Loan Bank of Indianapolis Celebrates 20 years of its Affordable Housing Program

Indianapolis, IN...The Federal Home Loan Bank of Indianapolis (FHLBI) proudly announces the 20th Anniversary of its Affordable Housing Program (AHP). Congress signed the legislation establishing the program on August 9, 1989. Funds initially became available in 1990. Over the past 20 years, this incredible program has developed into one of the most flexible funding sources available for affordable housing projects. The goal of the AHP is to provide housing opportunities for families whose incomes are 80% or less of the area median income.

Since 1990 actual FHLBI AHP dollars utilized for single- and multi-family housing development initiatives in Indiana, Michigan and surrounding states through the highly competitive Affordable Housing Program (AHP) was \$142,336,721. This represents more than 20,500 individuals or families that received assistance.

Non-profit groups, for-profit developers and public entities partner with FHLBI member institutions to apply for the competitive AHP grants. Member financial institutions disseminate the dollars to non-profit organizations and developers for the creation of affordable housing projects through our members in Indiana and Michigan.

Ten percent of FHLBI's earnings are allocated for the AHP programs each year. The development subsidy can be used to fund the acquisition, construction, or rehabilitation of properties for use as affordable housing. Homeownership initiatives offer down payment and closing cost assistance grants for first-time homebuyers and rehabilitation grants for owner-occupied homes. This is a record year for FHLBI allocations to its AHP with \$21.8 million being made available in grants not only for housing but also for homeownership initiatives.

In June of this year, FHLBI awarded \$7.7 million dollars through the competitive AHP grants to fund 16 projects to help create 494 units of affordable housing for homeownership, multi-family rental properties including transitional housing and permanent supportive housing. This is the first of two rounds of awards with the second round applications expected September 9, 2009.

Across the country the 12 Federal Home Loan Banks' AHP is one of the largest private sources of grant funds for affordable housing in the United States. The AHP allows the leveraging of private funds to be used in combination with other funding programs like the Low-Income Housing Tax Credit, HOME and CDBG. These projects serve a wide range of neighborhood and

community needs: many are designed for seniors, the disabled, homeless families, first-time homeowners and others with limited resources. According to the Council of the Federal Home Loan Banks more than 623,000 housing units have been built using AHP funds, including 391,000 units for very low-income households. The Federal Home Loan Bank System is the largest single funding provider to Habitat for Humanity, and since 1990 has awarded over \$3 billion through the AHP.

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The Federal Home Loan Bank of Indianapolis (FHLBI) is one of 12 regional banks that make up the Federal Home Loan Bank System. FHLBanks are government-sponsored enterprises created by Congress to ensure access to low-cost funding for their member financial institutions. FHLBanks are privately capitalized and funded, and receive no Congressional appropriations. The FHLBI is owned by its financial institution members, which include commercial banks, credit unions, insurance companies, and savings banks headquartered in Indiana and Michigan. For more information about the FHLBI and its Affordable Housing Program, visit www.fhlbi.com.