



BUILDING SUPPORT, STABILITY, AND STRENGTH

2017 Affordable Housing Advisory Council Annual Report
Federal Home Loan Bank of Indianapolis





Since its creation in 1990, FHLBank Indianapolis' Affordable Housing Advisory Council (AHAC) has played a pivotal role in providing safe, affordable housing to residents in Indiana and Michigan. These community leaders and experts in affordable housing work hand-in-hand with the bank's community investment staff to deliver on a core part of the bank's mission: supporting affordable housing solutions that make a difference in our shared communities.

In 2017, we provided \$15.4 million in grants through our Affordable Housing Program and Homeownership Initiatives. Further, our Community Investment Program provided \$326.4 million of at-cost funding to our members to re-invest in their neighborhoods.

These dollars translate into real impact. This year's grants:

- helped develop 1,209 housing units for low-income residents;
- supported the expansion and creation of numerous retail stores, businesses, and public facilities;
- made the dream of homeownership a reality for 185 low-income families; and
- empowered continued economic growth for the communities we serve.

So many people are affected by our programs, and their stories remind us that the work we do each year is crucial. As you look through the following pages, please note the expansive reach of these programs in 2017. From southern Indiana to Michigan's Upper Peninsula, FHLBank Indianapolis and AHAC are building support, stability, and strength for communities across our district.

Cindy L. Konich,
President and CEO, FHLBank Indianapolis

Anthony (Andy) Fraizer,
Chair, FHLBank Indianapolis Affordable
Housing Advisory Council

2017 PROGRAM SUMMARY



AFFORDABLE HOUSING - SUPPORT

We strive to positively impact the communities our Indiana and Michigan members serve, and the Affordable Housing Program (AHP) is a key part of our community-driven focus. AHP grants fund projects involving the acquisition, construction, or rehabilitation of properties for families with annual incomes that are 80 percent or less than the area median income.

Each year, our members partner with local not-for-profit housing providers, economic development partners, and housing developers to compete for AHP grants of up to \$500,000 per project. Since 1990, the bank has awarded more than \$283.4 million to create or rehabilitate single- and multi-family affordable housing.

This year, FHLBank Indianapolis awarded more than \$10.4 million in competitive grants to our members to help fund 27 Affordable Housing Program projects. This year's awards support the development of 762 units of affordable housing in our members' communities.

These AHP projects aren't just providing a low-cost source of housing for communities in need, over 90 percent of this year's projects are strategically located to promote walkability and proximity to services. This means our projects are eliminating many of the transportation barriers that might otherwise limit residents' employment and income opportunities.

HOMEOWNERSHIP INITIATIVES - STABILITY

In partnership with our members, FHLBank Indianapolis offers three grant programs designed to address the needs of families throughout the life cycle of homeownership.

- **Homeownership Opportunities Program (HOP)** disbursed \$1,455,135 to 185 first-time homebuyers;
- **Neighborhood Impact Program (NIP)** disbursed \$2,585,277 to 376 low-income homeowners to assist with home repairs; and
- **Accessibility Modifications Program (AMP)** disbursed \$916,809 to 71 households with seniors or disabled family members to make modifications that will allow them to remain in their current homes.

As you read through the pages of this year's AHAC Annual Report, you'll see maps like the one above. Each dot on the map represents an AHP, HOP, NIP, or AMP grant as indicated by the color key. Why are some of these projects funded outside of our district of Indiana and Michigan? Some of our members have branches outside of our district, but they can still use our programs to build support, stability, and strength in the communities they serve.



COMMUNITY INVESTMENT PROGRAM - STRENGTH

The Community Investment Program (CIP) provides our members with at-cost loans and letters of credit to support affordable housing and community economic development activities that benefit low- and moderate-income families or neighborhoods. This year, FHLBank Indianapolis disbursed \$326 million in CIP funding in the form of 17 advances and 8 letters of credit for a total of 25 projects. These funds were used to develop affordable housing, support infrastructure improvements, and boost local job creation.

2017 AHP AWARDS

INDIANA

Switchyard Park Apartments | Bloomington, IN | Amount of Award: \$500,000
BloomBank | South Central Indiana Housing Opportunities

Garvin Lofts | Evansville, IN | Amount of Award: \$250,000
First Merchants Bank | ECHO Housing Corp.

Memorial Place - Rehab | Evansville, IN | Amount of Award: \$450,000
Old National Bank | Memorial Community Development Corp

IndyEast Homes | Indianapolis, IN | Amount of Award: \$500,000
Indianapolis Neighborhood Housing Partnership, Inc | John H. Boner Community Center

Merici Village Apartments II | Indianapolis, IN | Amount of Award: \$500,000
Merchants Bank of Indiana | Merchants Affordable Housing Corporation

Eagle Place | Loogootee, IN | Amount of Award: \$500,000
Old National Bank | Hoosier Uplands Economic Development Corp.

Pleasant Square | Marion, IN | Amount of Award: \$500,000
MutualBank | Carey Services Inc.

Buckeye Village Apartment Renovation | Osgood, IN | Amount of Award: \$500,000
United Community Bank | Buckeye Village, Inc.

Interfaith Apartments | Richmond, IN | Amount of Award: \$500,000
First Bank Richmond | Interfaith Housing Corporation

Campaign Quarters | Rushville, IN | Amount of Award: \$500,000
Old National Bank | Southern Indiana Housing & Community Development Corp

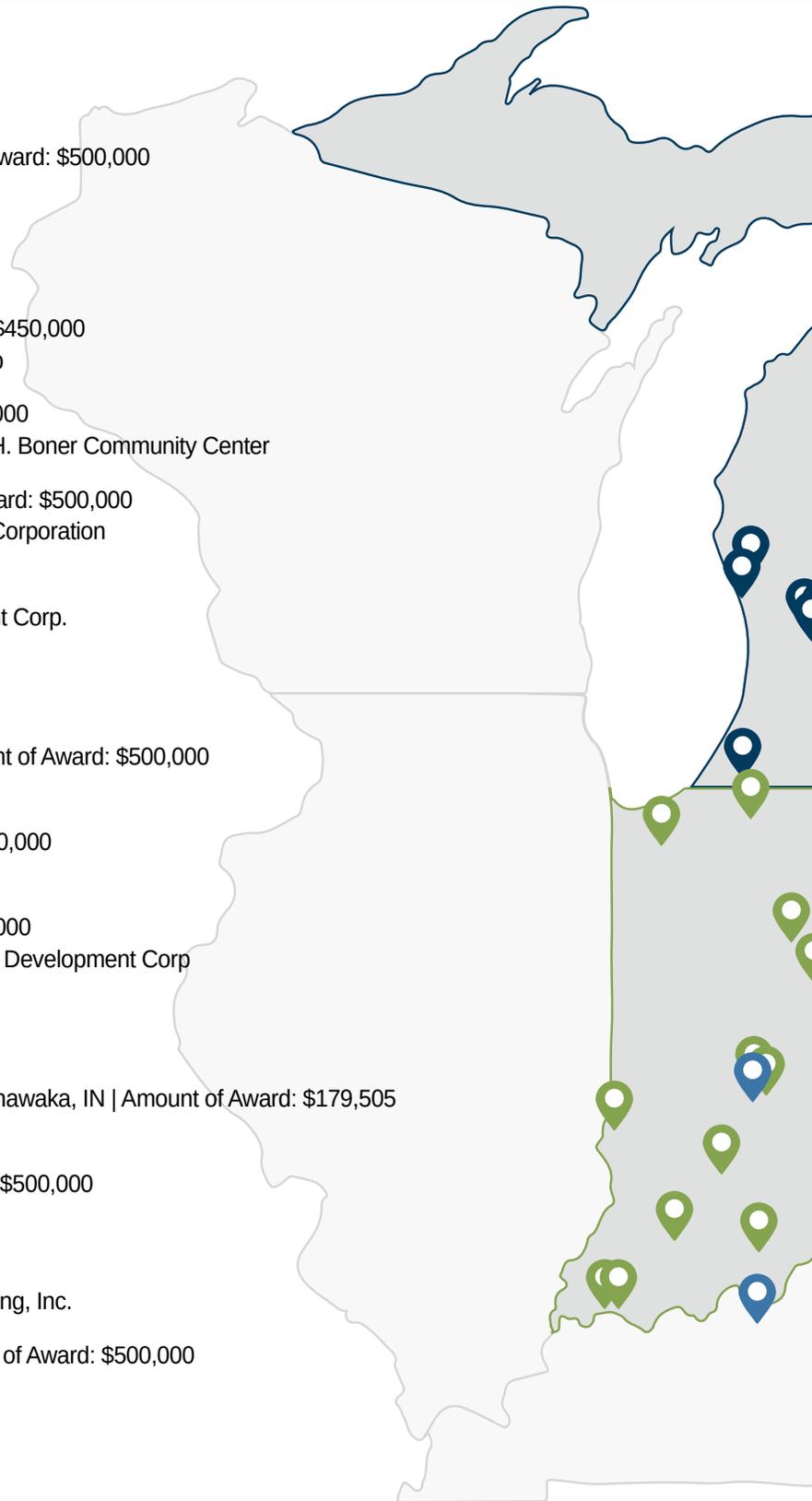
Jackson Court | Salem, IN | Amount of Award: \$125,000
Old National Bank | Blue River Services, Inc.

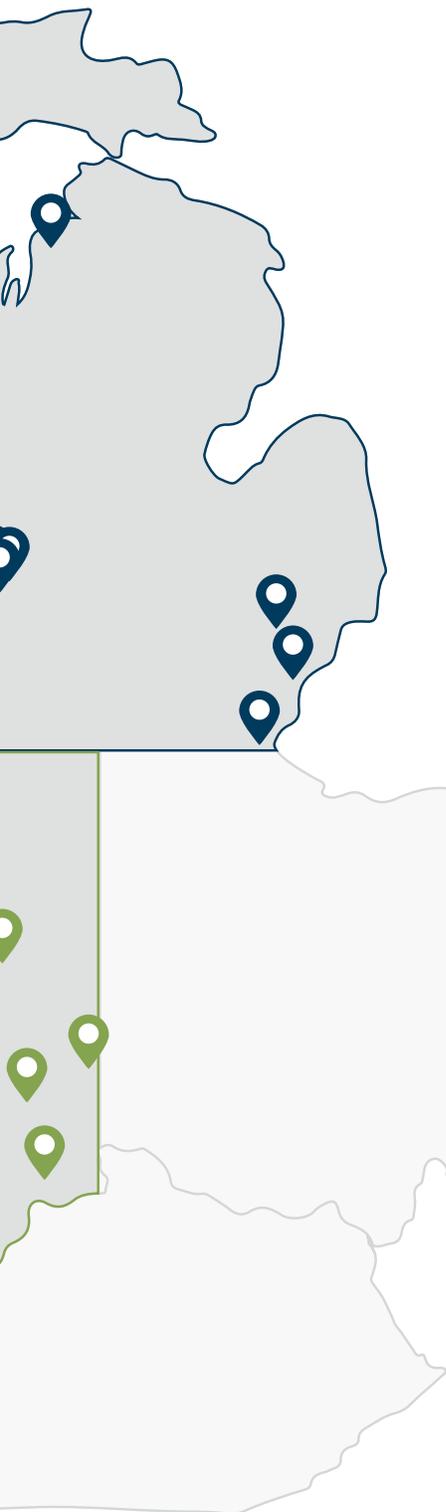
Carter Work Project/Scattered Site Project | South Bend/Mishawaka, IN | Amount of Award: \$179,505
1st Source Bank | Habitat for Humanity of St. Joseph County

Aurora View - North Vale | Valparaiso, IN | Amount of Award: \$500,000
1st Source Bank | Porter-Starke Services, Inc

Rock City Lofts | Wabash, IN | Amount of Award: \$177,375
Merchants Bank of Indiana | Partnership for Affordable Housing, Inc.

Providence Place Phase VII | West Terre Haute, IN | Amount of Award: \$500,000
Terre Haute Savings Bank | Providence Housing Corp.





MICHIGAN

Central Lake Townhomes | Central Lake, MI | Amount of Award: \$500,000
Charlevoix State Bank | Northern Homes Community Development Corp.

Human Trafficking Victims Stabilization Project | Dearborn Heights, MI | Amount of Award: \$500,000
Amerisure Mutual Insurance Company | Vista Maria

501 Eastern | Grand Rapids, MI | Amount of Award: \$300,000
Chemical Bank | ICCF Non-Profit Housing Corp.

Safe Haven Ministries DV New Facility | Grand Rapids, MI | Amount of Award: \$500,000
Mercantile Bank of Michigan | Safe Haven Ministries, Inc.

Stockbridge Apartments | Grand Rapids, MI | Amount of Award: \$250,000
Chemical Bank | ICCF Non-Profit Housing Corp.

Norman Towers | Monroe, MI | Amount of Award: \$250,000
Chemical Bank | Building Blocks Non-Profit Housing Corporation

Mill Iron Road | Muskegon, MI | Amount of Award: \$249,800
Community Shores Bank | Pioneer Resources, Inc.

Berkshire Niles Senior Housing | Niles, MI | Amount of Award: \$500,000
Chemical Bank | General Capital Development, LLC

Seminole | Norton Shores, MI | Amount of Award: \$228,000
Community Shores Bank | Moka Corporation

Unity Park Rentals IV | Pontiac, MI | Amount of Award: \$130,000
Chemical Bank | Community Housing Network, Inc.

ALTERNATES

Day Spring Community Living Homes | Louisville, KY | Amount of Award: \$300,000
Old National Bank | The Housing Partnership, Inc.

Home Place Gardens | Indianapolis, IN | Amount of Award: \$500,000
Lake City Bank | Hamilton County Area Neighborhood Development, Inc

AFFORDABLE HOUSING - SUPPORT



“OUR VETERANS SHOULDN'T BE HOMELESS, AND OUR AGENCY BELIEVES EVERYONE DESERVES A HOME, NO MATTER WHAT.”

—Myra Wilkey, Executive Director of Mental Health America of Vigo County

LIBERTY VILLAGE

Helping homeless veterans in Terre Haute, IN.

For many veterans who've served our country, access to the resources to get them back on track in life can be hard to come by. Unfortunately, many veterans fall through the cracks. That's why FHLBank Indianapolis helped Merchants Bank of Indiana and Mental Health America of Vigo County build Liberty Village with a \$400,000 Affordable Housing Program grant. This 30-unit building provides these heroes with a low-cost option for housing and a community center to help them get the resources they need. Liberty Village opened its doors in early 2017. Now, the facility is providing support, stability, and strength to a community in need.





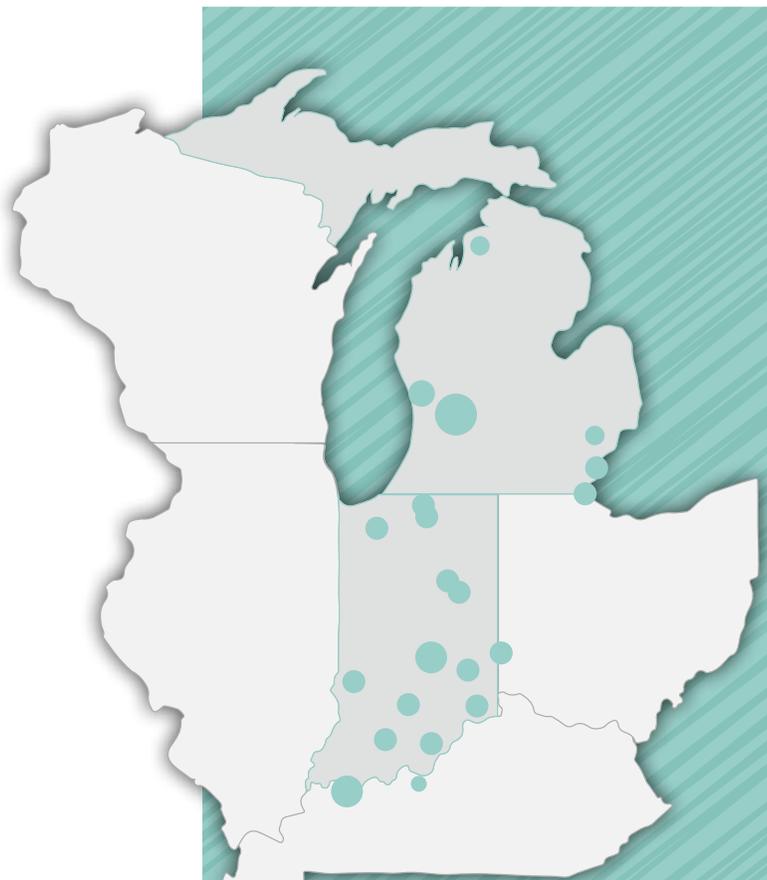
RIVER CREST APARTMENTS

Bringing new life to a historic building in Detroit, MI

Colony Arms Apartments was once labeled the most dangerous apartment building in Detroit. Now, after significant renovations to this historical building and with a new name, River Crest Apartments is one of the city's nicest, safest, and family-friendly affordable housing developments. FHLBank Indianapolis was proud to award a \$500,000 AHP grant to Flagstar Bank in partnership with Cinnaire and Building Blocks Nonprofit Housing Corporation in support of this project.

“IT IS A COMPLETELY DIFFERENT PLACE. THIS IS THE QUALITY WE’RE GOING TO CONTINUE TO BUILD FOR THE PEOPLE OF THE CITY OF DETROIT.”

—Detroit Mayor Mike Duggan



2017 AHP grants by location.

HOMEOWNERSHIP INITIATIVES - STABILITY

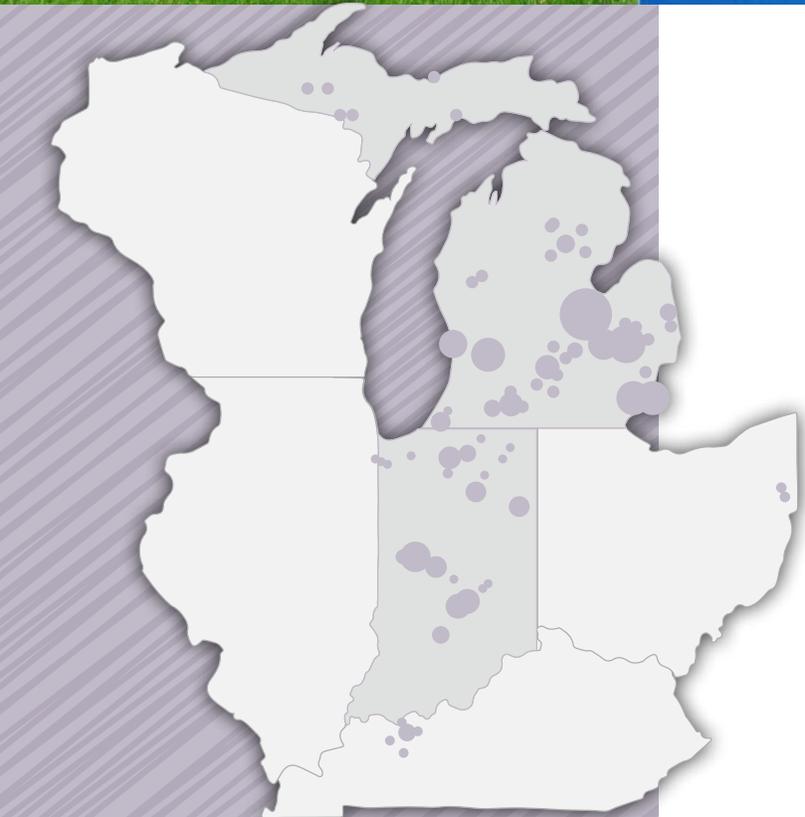


HOMEOWNERSHIP OPPORTUNITIES PROGRAM (HOP)

Down payment and closing cost requirements frequently prohibit people from buying a home. Financial institutions can use HOP to help first-time homebuyers at or below 80% median income with up to \$8,000 in down payment and closing costs assistance. This improves the homebuyers' eligibility for mortgage financing and helps build next-generation banking relationships.

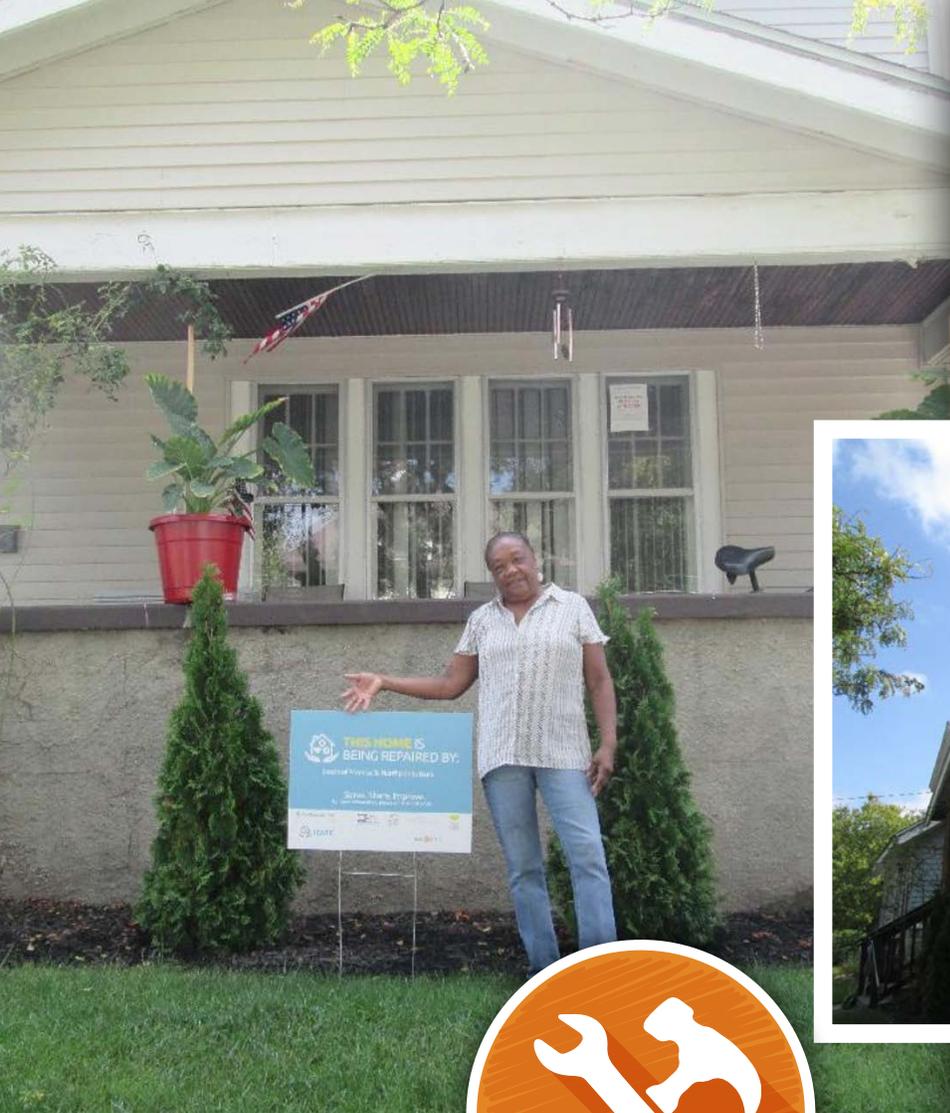
Just ask Anthony Mitchell, a new homeowner in Oakland, MI who used a HOP grant through Level One Bank.

"I am so glad to be a homeowner and I am grateful to Level One Bank, FHLBank Indianapolis, and Habitat Oakland for helping me do this," said Mitchell. "My daughter Carol loves the house and is excited to have kids to play in the neighborhood. I am happy to come home every day to my own home and know that this is a safe and affordable place for me. I am proud to tell my friends and family that I own my home."



2017 HOP grants by location.

Note: Grants outside bordering states not shown.



**“NOW THAT THE SIDING IS DONE,
MY HOME LOOKS BEAUTIFUL.”**

—Gwendolyn Chaney



NEIGHBORHOOD IMPACT PROGRAM (NIP)

Using NIP, members can assist homeowners with repairs including new windows, furnaces, roofs, siding and other maintenance repairs with grants of up to \$7,500. NIP assists existing homeowners with incomes at or below 80% AMI rehabilitate their homes.

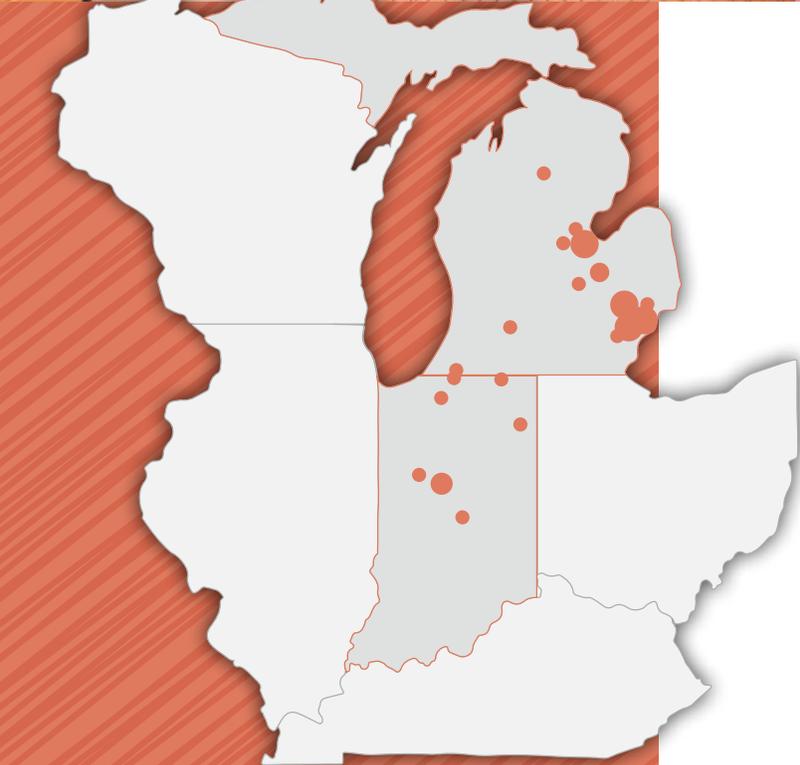
NIP was able to help Gwendolyn Chaney get much-needed repairs to her home in Grand Rapids, MI. Northpointe Bank helped her secure funding through the program.

“My home was falling apart without the siding and looked horrible,” said Chaney. “I didn’t have the money to get it fixed. Now that the siding is done, my home looks beautiful.”



2017 NIP grants by location.

Note: Grants outside bordering states not shown.



ACCESSIBILITY MODIFICATION PROGRAM (AMP)

For seniors or homeowners with a permanent disability, AMP provides a pathway to safer and more accessible living. Members can request up to \$15,000 in grant funding for accessibility modifications for eligible homeowners with a household income at or below 80% AMI. Modifications include items such as ramps, grab bars, roll-in showers, and widened doorways.

For Andrew Merchant, who is blind and has had both legs amputated below the knee, First Independence Bank helped him secure an AMP grant for his Detroit, MI home. Metro Home Solutions modified his bathroom to be both safe and accessible for the first time.

June Tillman in Pontiac, MI was able to secure an AMP grant to fund repairs to a wheelchair ramp as well as bathroom modifications, including a low-step shower and a wider doorway. Thanks to Flagstar Bank and Veterans' Empowerment Neighborhoods, the Tillman home is safer and more accessible.

2017 AMP grants by location.

COMMUNITY INVESTMENT PROGRAM - STRENGTH



The Community Investment Program (CIP) provides members with a continuous, favorably priced source of funds for a variety of uses, including homebuyer loans, small business loans, community and economic development loans, and the creation of affordable rental housing. CIP is designed to support our members' efforts to undertake community-oriented mortgage lending and economic development in the communities they serve.

In Clarksville, IN, First Savings Bank helped a few local business owners take advantage of CIP funds to turn a recently-closed restaurant into a Red Robin.

"First Savings Bank helped put together a loan package, and FHLBank Indianapolis was able to help strengthen the credit rating through CIP to make the deal happen," said Scott Allen Blair, Vice President at First Savings Bank. "From an employment standpoint, this Red Robin hired 130 people locally. Those jobs wouldn't have been here otherwise. With a construction period of six months and a capital investment nearing \$2 million, this project has made a big impact in Clarksville."



"FROM AN EMPLOYMENT STANDPOINT, THIS RED ROBIN HIRED 130 PEOPLE LOCALLY."

—Scott Allen Blair



COMMUNITY SPIRIT AWARDS

Each year, AHAC presents the Community Spirit Award to two individuals that are making a difference in affordable housing and community economic development. The Community Spirit Award winners are judged based on three criteria: community, spirit, and action. Award winners must also be an employee of an FHLBank Indianapolis member.

Community: brings the tools and skills to nonprofit organizations in need.

Spirit: performs their work in affordable housing and community development with a contagious enthusiasm.

Action: provides leadership and acts as a catalyst for affordable housing and economic development in their market area.

Each winner of the Community Spirit Award can direct a donation from FHLBank Indianapolis to a nonprofit organization or charity of their choice. If you would like to nominate an individual for the Community Spirit Award, nomination criteria and materials are available on our website.

fhlbi.com/communityspirit



JOHN CLAUSS

German American Bank Vice President, Commercial Banking
Washington, Indiana

2017 COMMUNITY SPIRIT AWARD WINNER, INDIANA

Clauss and German American partnered with Plainville Housing Corporation to secure an Affordable Housing Program grant to renovate a small, rural senior housing project in 2004. Then in 2015, together with Martin County Senior Citizen Housing Inc., Clauss secured another grant to renovate senior duplexes in Loogootee, Indiana. In 2013, he helped establish the local Creating Entrepreneurial Opportunities (CEO) program, designed to prepare students for life in the business world after high school and he serves on the board of Power House, an organization that provides after school services to high risk youth.



PATRICIA FRANKLIN-LINDSEY

Chemical Bank Assistant Vice President and Regional CRA Manager
Saginaw, Michigan

2017 COMMUNITY SPIRIT AWARD WINNER, MICHIGAN

Franklin-Lindsey has helped more than 500 homeowners in Saginaw, Genesee, Midland, and Shiawassee counties access FHLBank Indianapolis home improvement grants totaling more than \$4.3 million over the last several years. In addition, Franklin-Lindsey has been instrumental in teaching more than 35 nonprofits and municipalities how to apply for FHLBank Indianapolis grants. Franklin-Lindsey is an active volunteer in the communities of Midland, Saginaw, and Flint, Michigan, where she teaches financial literacy classes to children, adults, and church groups. She has educated more than 8,000 individuals in financial literacy over her career.

COMMUNITY MENTORS PROGRAM

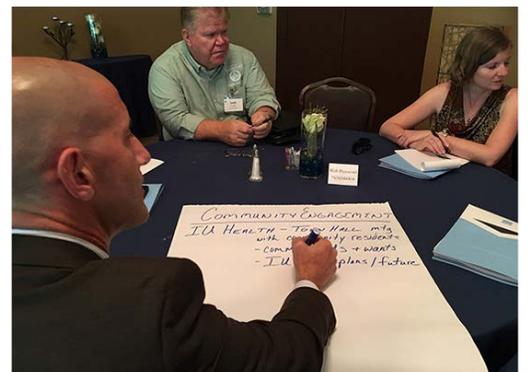
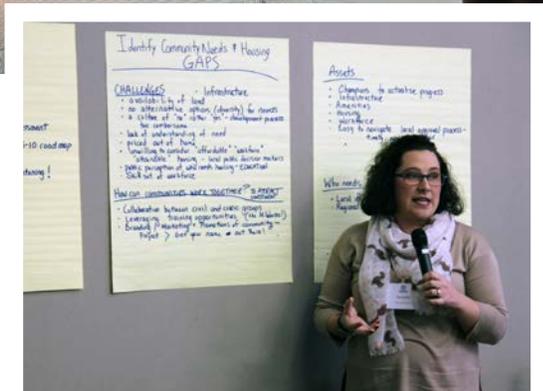


In 2017, FHLBank Indianapolis launched the Community Mentors program to reach out to our members and the communities they serve. The program is designed to help make connections, stimulate thinking, and challenge conventional wisdom about community building. After a series of presentations from experienced community mentors, attendees break into small groups to discuss specific challenges in their community with the speakers.

In Frankfort, IN, business and community leaders gathered to discuss ways to make their community more attractive to current residents while appealing to new residents and businesses as well. The event built on the success of the pilot program in Martinsville, Indiana, by giving attendees time to develop an action plan based upon what they know about their town's needs and what they heard from the mentors.

The Central Michigan Summit was the second Community Mentors summit sponsored by the bank in 2017. Presenters from across Michigan came to speak on topics ranging from making communities more affordable for families, placemaking (a multi-faceted approach to the planning, design, and management of public spaces), and the importance of community health.

If you are an FHLBank Indianapolis member that is interested in bringing a Community Mentors summit to your community, please contact your Account Manager or the Community Investments Department.



BOARD AND AHAC

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Prosperity Indiana**



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Carl Liedholm
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James Logue
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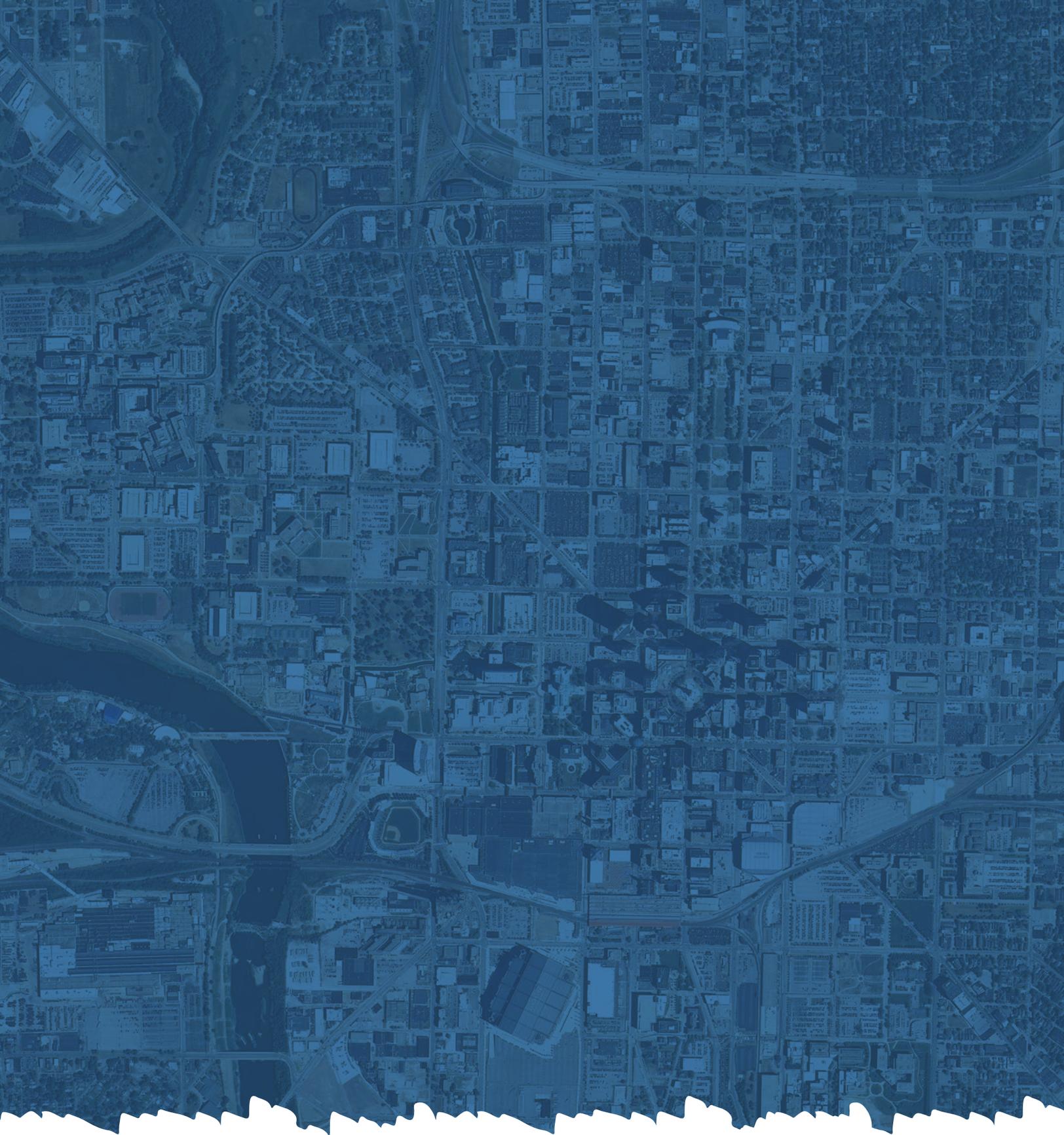
James MacPhee
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Dan Moore
Member Director



Jeffery Poxon
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