

CommunityFirst

FEDERAL HOME LOAN BANK OF CHICAGO • COMMUNITY INVESTMENT NEWSLETTER • SUMMER 2010

AHP Honored with "Housing Person of the Year" Award

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The mission of the Bank is to deliver value to our members, and promote and support their growth and success, by providing:

- Highly reliable liquidity;
- Secured advances, wholesale mortgage financing, and other products and services to meet members' needs; and
- Direct financial support for members' affordable housing and community investment programs.

We are pleased to inform you that the Affordable Housing Program (AHP) of the Federal Home Loan Banks was honored as the "Housing Person of the Year" by the National Housing Conference on June 9th in Washington, D.C. This year the FHLBs are celebrating the 20th anniversary of the AHP, which has provided almost \$4 billion for the creation of more than 670,000 affordable rental and owned homes for low- to moderate-income families.

The Federal Home Loan Bank of Chicago, its members, and their partners have awarded \$300 million in AHP grants and down payment assistance over the past two decades, helping more than 70,000 families find their way to homes in Illinois and Wisconsin.

Historically, the National Housing Conference has honored an individual, or individuals, with the "Housing Person of the Year" Award at its annual event. The AHP is one of less than a handful of programs over the years to be selected to receive the award, which is considered one of the housing industry's most recognized and highest honors. Thanks to the ongoing support of the members of the Federal Home Loan Banks, the AHP is the nation's largest source of pri-

vate grant funds for affordable housing.

The FHLB Chicago is committed to providing members and their non-profit and for-profit partners with an uninterrupted supply of funding for affordable housing initiatives in their communities. We are confident you will agree with Lee Gibson, Chairman of the Council of Federal Home Loan Banks and CEO of Southside Bank in Tyler, Texas, who said at the event, "Affordable housing is good for the economy, good for communities, and good for America."

Looking ahead, the application deadline for the FHLB Chicago's 2010 AHP awards is September 1. Be sure to read about the details on page 3. And, thank you for making the Affordable Housing Program such a great success for 20 years.



Matt Feldman
President
and CEO



Eldridge Edgecombe
Community
Investment Officer

This newsletter contains forward-looking statements which are based upon our current expectations and speak only as of the date hereof. These statements may use forward-looking terms, such as "anticipates," "believes," "expects," "could," "plans," "estimates," "may," "should," "will" or their negatives or other variations on these terms. The Bank cautions that, by their nature, forward-looking statements involve risk or uncertainty, that actual results could differ materially from those expressed or implied in these forward-looking statements, and that actual events could affect the extent to which a particular objective, projection, estimate, or prediction is realized. These forward-looking statements involve risks and uncertainties including, but not limited to, the risk factors set forth in our periodic filings with the Securities and Exchange Commission, which are available on our website at www.fhlbc.com. The Bank assumes no obligation to update any forward-looking statements made in this newsletter.

Affordable Housing Leaders Celebrate AHP

More than 800 industry leaders from across the country attended the NHC's annual gala this year to see the Federal Home Loan Banks' AHP honored as the "Housing Person of the Year." All 12 Home Loan Banks sent representatives to the event. From the FHLB Chicago, four directors, the chair-

man of the Community Investment Advisory Council, and five employees celebrated the award and the 20th anniversary of the AHP.

"We're proud of the affordable housing mission of the Federal Home Loan Banks and the tangible results we see with the AHP," said Kathleen Marinangel, Chair of the

FHLB Chicago's Affordable Housing Committee and CEO, President, and Chairman of the Board of McHenry Savings Bank in McHenry, Illinois. "We're looking forward to the next 20 successful years of providing this valuable program."



The FHLB Chicago's contingent. From left to right: Nancy Schachman, FHLB Chicago; Board Directors Ed Brady, Tom Herlache, and David Kuhl; Eldridge Edgecombe, FHLB Chicago; Bob Campbell, Chairman of the Community Investment Advisory Council; Kathleen Marinangel, Chair of the FHLB Chicago's Affordable Housing Committee of the Board of Directors; and FHLB Chicago's Matt Feldman, Sue Wohlhart, and David Feldhaus.



The AHP is the nation's largest source of private grant funds for affordable housing.



"We are privileged to be one partner among many who are essential to the nation's housing and housing finance system," said Lee Gibson, Chairman of the Council of Federal Home Loan Banks and CEO of Southside Bank in Tyler, Texas. "We are humbled to be here tonight. On behalf of all 12 Home Loan Banks, and their members and housing partners, thank you."



Kathleen Marinangel (far left), Chair of the FHLB Chicago's Affordable Housing Committee of the Board of Directors and CEO, President, and Chairman of the Board of McHenry Savings Bank, represented the FHLB Chicago on stage at the event. Here she waits with other representatives for the FHLB Chicago's name to be called.

Watch Online: "Housing's New Era" Video

NHC showed a new video called "Housing's New Era" at the event that features NHC President and CEO Maureen Friar addressing the future of affordable housing.

Click here to view it.

To request a free DVD copy of the video by mail, please contact Keya Jackson, Senior Manager, Council of FHLBanks at kjackson@cfhfb.org or 202-955-0002. To learn more about NHC, visit www.nhc.org.

Competitive AHP Application Now In Excel

The Community Investment group has revised the AHP application, which is due this year on September 1. The 2010 AHP application is in Microsoft Excel and incorporates error checks to reduce inconsistencies within the application. The application will be posted online by July 12.

You're invited to attend one of the upcoming AHP training sessions or webinars. Please register soon as seating is limited. See the sidebar, right, for details. Or, contact Deb Pater at 312-565-5745 or via e-mail at dpater@fhlbc.com with questions.

Members Can Lower Borrowing Costs with CICA

When looking to lower funding costs, look to our Community Investment Cash Advance (CICA) program to borrow at discounted rates. Members can access CICA advances to finance eligible housing or community development projects. These advances, which are available throughout the year, are used to finance loans to individual households, public entities, and both for-profit and non-profit organizations.

What types of loans qualify?

Discounted CICA advances are available to members for the following types of loans:

Housing

- Individual or multi-family owner-occupied housing
- Rental housing; longer terms are available for rental properties.
- Manufactured housing parks

Business

- Small business
- Industrial and manufacturing
- Commercial, including retail stores, offices, and wholesale suppliers

AHP: Important Dates

July 12	AHP application materials will be posted to the FHLBC's Community Investment website, http://ci.fhlbc.com
July 13	AHP application training 9:00 a.m. - Noon Chicago
July 14	AHP application training 1:00 p.m. - 4:00 p.m. Milwaukee/Brookfield
July 19	AHP application training 2:00 p.m. - 4:30 p.m. Webinar for rental properties
July 20	AHP application training 2:00 p.m. - 4:00 p.m. Webinar for owner-occupied projects
September 1	Deadline for AHP applications 5:00 p.m.
Late November	FHLBC will notify applicants of application outcome

[Click here for workshop locations and registration information.](#)

Agricultural

- Farm refinance or expansion
- Acquisition of equipment

Community

- Community facilities such as healthcare services, social service centers, and daycare centers
- Infrastructure, including roads, bridges, and sanitation projects

To Apply

Members will complete a brief application one or two days prior to drawing a CICA advance. Please call Community Investment staff to review CICA eligibility guidelines or visit the Community Investment page at www.fhlbc.com. Or, [click here](#).

Illinois: Alden Gardens of Bloomingdale

FHLB Chicago member Harris N.A. was instrumental in financing the new Alden Gardens of Bloomingdale Supportive Living Facility, which celebrated its opening with a ribbon-cutting ceremony in April. Harris provided a \$300,000 AHP subsidy to the Alden Foundation to construct this 86-unit supportive living facility for the elderly in Bloomingdale, Illinois. Harris also provided permanent financing for the project, credit enhancement for the bonds, and bond underwriting.

“Alden does such a great job in all phases of development, and their properties are beautiful. They are always thinking about their tenants,” said Katherine Mazzocco, Vice President of Community Development Lending at Harris.

The residents and staff are off to a great start, too. “Move-ins are going smoothly and as planned, and new friendships are being established,” said Josh Anderson, executive director of the facility.



Bloomingdale Mayor Robert Iden performs the ceremonial ribbon cutting at the new Alden Gardens of Bloomingdale Supportive Living Facility on April 22. From left, Wayne Smallwood, Executive Director, Affordable Assisted Living Coalition and the first administrator of the Supportive Living Facility program in Illinois; Debbie Burkart, Vice President, National Equity Fund, Inc.; Joan Carl, President, Alden Foundation; Beth Demes, Executive Director, Alden Foundation; Katherine Mazzocco, Vice President, Harris, N.A.; and Randi Schlossberg-Schullo, President, Alden Realty Services, look on.

Email Your Photos

If your housing project has received an AHP grant through an FHLB Chicago member in the past few years, please email us photos or send an invitation to your ground-breaking at one of the following addresses:

mwarden@fhlbc.com

Federal Home Loan Bank of Chicago
Community Investment Group
200 East Randolph Drive
Chicago, IL 60601



Alden Gardens of Bloomingdale in Bloomingdale, Illinois

Wisconsin: Brillion Nature Center

In early June, a small crowd of bankers and politicians joined the professional naturalist at the Brillion Nature Center in Wisconsin for the Community First Partnership Award ceremony. The celebration took place in the newly renovated building where Brillion schools, residents, and tourists come to take advantage of workshops and educational programming. Visitors can also explore six miles of nature trails across 40 acres of land.

Eldridge Edgecombe, the FHLB Chicago's Community Investment Officer, presented the award to FHLB Chicago member Calumet County Bank and the Brillion Nature Center in honor of their flourishing partnership. "Not only has the partnership helped provide environmental education and outdoor education to the people of the Brillion community and surrounding area, but visitors from all parts of the state patronize local business—retail stores, restaurants, gas stations—while exploring the area," he said. "Clearly, the nature center is an asset to the entire community."

In 2009, the FHLB Chicago honored five partnerships between member banks and their local community organizations with the Community First Partnership Award, which involves both a monetary award and public ceremony. To read more about these partnerships in previous issues of the *Community First* newsletter, click here and here.



From left to right: Brad Grant, President and CEO of Calumet County Bank; Jennifer Kolberg, Brillion Nature Center's naturalist; U.S. Rep. Tom Petri (6th District); Eldridge Edgecombe, FHLB Chicago Community Investment Officer; and Wisconsin State Rep. Al Ott (3rd Assembly District).



Brillion Nature Center, Brillion, Wisconsin

Welcome, Sharnell Curtis-Martin

The Community Investment group is pleased to welcome Sharnell Curtis-Martin to the FHLB Chicago. Some of you may already know Sharnell from her work as the Sr. Funding Manager with the Illinois Finance Authority (IFA). Sharnell joined the FHLB Chicago this spring as a Sr. Compliance Analyst and is responsible for long-term monitoring for the Bank's Affordable Housing Program (AHP). Sharnell works with staff, sponsors, and member banks to ensure bank policy, procedures, and regulatory compliance are followed. She provides ongoing technical assistance to program participants by providing training and support.

In her 13 years with IFA, Sharnell was responsible for providing economic development assistance and managing financing transactions for businesses, cultural organizations, education providers, manufacturers, not-for-profit organizations, and social service providers. She closed more than 150 bond, lease, and loan transactions representing more than \$700 million in financings while at IFA and its predecessor, the Illinois Development Finance Authority (IDFA). Sharnell



Sharnell Curtis-Martin

also represented the Authority on various committees including the Illinois Housing Development Authority's Affordable Housing Trust Fund.

Sharnell can be reached at SCurtis-Martin@fhlbc.com

New HUD Income Limits Now Online

The U.S. Department of Housing and Urban Development (HUD) released the 2010 Income Limits on May 14, 2010. The 2010 Income Limits are available on the FHLBC website and should be

used for qualifying households under the FHLBC's Affordable Housing Program, Downpayment Plus[®] Program, and CICA Advance and Letter of Credit programs. Click here to access the 2010 Income Limits.

Federal Home Loan Bank of Chicago

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