



Announcements

FHLB Des Moines Addresses Mortgage Crisis

The mortgage crisis has had a profound impact on communities across the five-state district of FHLB Des Moines. Some programs have been established to help homeowners but little has been done to save or preserve the homes and neighborhoods that may be damaged by this crisis. Recognizing the long term implications that the mortgage crisis may have on the housing stock in its District states of Iowa, Minnesota, Missouri, North Dakota and South Dakota, FHLB Des Moines is addressing the issue by changing scoring priorities for its Affordable Housing Program (AHP) competitive grant applications.

The Bank's Board of Directors recently approved changes to the scoring criteria for the second round of applications for its competitive AHP grant program. These changes were made in an effort to help Bank members and community development organizations deal with properties in their communities that are left vacant as a result of foreclosure. It is the Bank's intention to help fund the purchase of foreclosed properties by new buyers or non-profit rent-to-own projects in order to prevent the downward spiral of disinvestment in communities and neighborhoods. As a result, AHP applications for projects involving the resale of foreclosed properties will now be awarded additional points in the scoring process.

Also, FHLB Des Moines has suspended its 2008 Urban First-time Homebuyer Fund program and is transferring the \$1.0 million from the program into funding for the current AHP round. The approximate amount available for the round will be over \$7.0 million. While the change in scoring favors projects addressing the resale of foreclosed properties, it should not preclude other projects from receiving adequate scores to be awarded funding.

For more information about the recent changes to the Bank's AHP Implementation Plan and scoring criteria, please visit our website at http://www.fhlbdm.com/ci_ahp.htm. Please contact the Community Investment Department, 800.544.3452, ext. 1173, with questions.