

NEWS RELEASE

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Celebration Marks 100 New Homeowners Who Have Purchased in Foreclosure-Challenged Areas Using the Minneapolis Advantage Program

Congressman Ellison and Mayor Rybak celebrate \$1 million in forgivable loans distributed to Minneapolis Homebuyers

(Minneapolis, MN) – Representative Keith Ellison (MN-5) today joined Minneapolis Mayor R.T. Rybak to celebrate the nearly 100 new homeowners that have utilized the City’s Minneapolis Advantage Program to purchase homes in areas challenged by foreclosure. Nearly \$1.0 million has been distributed to rebuild communities and assist buyers in achieving homeownership.

Through this program, homeowners have reclaimed neighborhoods across the city that were affected by high foreclosure rates. These new homebuyers are strengthening neighborhoods as they rehabilitate boarded-up homes in blighted neighborhoods and bring with them the hope for a better future.

“The Minneapolis Advantage Program allows us to invest in the economic sustainability and vitality of our neighborhoods,” said Mayor R.T. Rybak. "This program has taken a positive step in getting vacant, foreclosed properties back to productive use."

The City launched a successful pilot of the program in 2008 and initiated another round of funding in the spring of 2009. This leveraged \$1.5 million in Federal Home Loan Bank of Des Moines Affordable Housing Program (AHP) grant funds, added to the City’s own redevelopment money, to provide down payment or closing cost assistance to help buyers move back into neighborhoods heavily impacted by foreclosure.

"The loans provided under this program are real investments in some of the very neighborhoods devastated by the current foreclosure crisis," Representative Ellison said. “By

helping homeowners rehabilitate abandoned and rundown properties, they provide beacons of hope for a struggling nation and form the building blocks for healthy and stable communities.”

Joining the officials at the news conference were representatives from Wells Fargo which partnered with the City to secure the \$1.5 million FHLB Des Moines AHP grant. “From acquiring the grant to originating loans under the program, we’re very glad to help make the dream of homeownership a reality for these families,” said Susie Davis, executive vice president for Wells Fargo Home Mortgage.

Funds are still available for down payment and closing cost assistance. Homebuyers must apply for a *Minneapolis Advantage* loan through their first mortgage lender. Loans are provided to qualified homebuyers on a first come, first serve basis.

For more information and guidelines about the Minneapolis Advantage Program, go to www.ci.minneapolis.mn.us/cped/minneapolisadvantage_home.asp or see www.livemsp.org for additional home purchase incentive programs.

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The Federal Home Loan Bank of Des Moines is a wholesale cooperative bank that provides low-cost short and long-term funding and community lending to more than 1,200 members, including commercial banks, saving institutions, credit unions and insurance companies. The Bank is wholly owned by its members and receives no taxpayer funding. The Des Moines Bank serves Iowa, Minnesota, Missouri, North Dakota and South Dakota and is one of twelve regional Banks that make up the Federal Home Loan Bank System.