

NEWS RELEASE



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Federal Home Loan Bank of Des Moines Announces \$300,000 in Funding to New Homebuyers in Iowa

(Des Moines, IA) - Grants totaling \$300,000 were recently awarded to six community banks in Iowa to help individuals and families achieve the dream of owning their own home. The grants, awarded to Federal Home Loan Bank of Des Moines members, are part of the Bank's Urban First-time Homebuyer Fund (UFT) which supports efforts to provide permanent housing to families and individuals in communities with a population of 25,000 or more.

Bank Iowa, Altoona; BankIowa, Cedar Rapids; Northwest Bank, Spencer; Iowa State Bank, Des Moines; Ascentra Credit Union, Bettendorf; and Farmers and Merchants Savings Bank, Manchester will each receive \$50,000 in UFT grants to provide housing assistance to their communities.

FHLB Des Moines members are eligible to receive up to \$50,000 in UFT grants to provide housing assistance in communities throughout the Bank's five-state district. In response to community housing and economic challenges, the Bank changed the 2009 Urban First-time Homebuyer Fund guidelines to address the issue of foreclosure. Eligible households will receive up to \$10,000 to purchase a foreclosed property and all other households will receive up to \$5,000 under the UFT program.

"The grant reflects our focus on working with our members to change the futures of individuals and families in their community," said Gary Dodge, community investment director at FHLB Des Moines.

Since the program's inception more than 820 grants totaling \$4.3 million dollars have been awarded to support a wide range of housing activities. The grants can be used to provide down payment, closing cost, counseling or rehabilitation assistance to households purchasing owner-occupied units in urban communities. Eligible households are at or below 80 percent of the area median income.

For more information about the Urban First-time Homebuyer Fund, please contact the Community Investment Department at 800.544.3452, ext. 1173 or visit the Bank's website at www.fhlbdm.com.

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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.