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**FHLBANK CINCINNATI AWARDS \$500,000
FOR FORECLOSURE RELIEF IN KENTUCKY****Subsidies will fund mortgage counseling and foreclosure mitigation**

Cincinnati, OH (September 29, 2008) – Anti-foreclosure efforts in Kentucky received a boost today, as the Federal Home Loan Bank of Cincinnati awarded grants worth \$500,000 for mortgage counseling and foreclosure mitigation. Thirteen financial institutions are participating in the program, which will help homeowners in 78 counties statewide.

Federal Home Loan Bank President David Hehman announced the “Preserving the American Dream” grants today. “Our members and housing partners told us of the difficulties they had coping with foreclosures in their communities,” he said. “In many cases, the homeowners needed just a few thousand dollars to become current on their mortgages and stay in their homes. We created Preserving the American Dream as one thrust of a larger effort to deal with foreclosures in our district.”

The largest grant is a \$400,000 award that covers 52 Kentucky counties, including the Lexington and Louisville areas. The grant was awarded to five financial institutions led by the Republic Bank & Trust of Louisville, and the NeighborWorks Alliance of Kentucky, a consortium of nonprofit housing agencies including Community Ventures Corp., The Housing Partnership of Louisville, Frontier Housing and the Federation of Appalachian Housing Enterprises Inc. Joining Republic Bank are Central Bank & Trust Co. of Lexington, The Farmers Bank & Trust Company of Georgetown, Kentucky Bank of Paris and Liberty Alliance Federal Credit Union of Lexington.

Steve Trager, Chairman and CEO of Republic Bank & Trust Company, said: “As Kentucky’s largest locally owned bank, Republic Bank is committed to the communities in which we work and live. We recognize the importance of owning a home, and want to do our part to make sure individuals keep their homes during these uncertain economic times. As we like to say, we were here for you yesterday, we are here for you today, and we’ll be here for you tomorrow.”

Kevin R. Smith, President and CEO of Community Ventures Corporation, said job loss and general economic hardship are the principal drivers for foreclosure in Kentucky. In this crisis, “It’s all hands on deck,” he said. “None of us have the resources individually to help Kentuckians preserve what is their single largest investment. their single largest asset. It will take all of us working together to make a significant impact.”

A second grant, of \$100,000, was awarded to eight financial institutions led by Independence Bank, and Housing Assistance and Development Services, to assist homeowners in 26 counties in Central Kentucky.

The FHLBank has a congressional mandate to devote 10 percent of its annual profits to the Affordable Housing Program. Preserving the American Dream is a voluntary program, outside of the FHLBank's affordable housing obligation. The FHLBank created the new program this year, to help member financial institutions assist their communities in fighting foreclosures. A total of 11 grants worth \$2.1 million were approved for financial institutions and nonprofit housing agencies in Kentucky, Ohio and Tennessee.

Through this new program, up to \$3,500 will be made available to help a homeowner receive foreclosure prevention counseling or benefit from other foreclosure mitigation steps. This funding is made available through FHLBank member financial institutions to qualifying nonprofit housing counseling agencies that provide foreclosure/loss mitigation counseling services in the Fifth District.

In all, the FHLBank awarded 11 grants totaling \$2.1 million under the Preserving the American Dream program for anti-foreclosure efforts in Kentucky, Ohio and Tennessee. A complete list of the grants is available at the FHLBank's Web site, www.fhlbcin.com.

The Federal Home Loan Bank of Cincinnati is a \$95 billion, triple-A rated regional wholesale bank providing financial services for residential housing and economic development to 728 member financial institutions located in the Fifth FHLBank District of Kentucky, Ohio and Tennessee. The FHLBank System, including 12 district FHLBanks, was chartered in 1932 by the U.S. Congress to promote housing finance but is wholly owned by its member institution stockholders and does not use taxpayer dollars.

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FEDERAL HOME LOAN BANK OF CINCINNATI AND OUR
HOUSING FINANCE PARTNERS ARE



PRESERVING THE
AMERICAN DREAM

*PLEASE JOIN US FOR A FUNDING ANNOUNCEMENT OF A NEW PROGRAM TARGETING
MORTGAGE COUNSELING AND FORECLOSURE MITIGATION IN OUR COMMUNITIES.*

Monday, September 29, 2008, 10:00 a.m.

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**NEIGHBORWORKS
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KENTUCKY**

at the offices of

Community Ventures Corporation
1450 North Broadway
Lexington, KY 40505

PRESERVING THE AMERICAN DREAM

Lead lender Republic Bank and consortium Central Bank & Trust Co., The Farmers Bank and Trust Company, Kentucky Bank, and Liberty Alliance Federal Credit Union in partnership with group sponsor Neighborworks Alliance of Kentucky which includes Community Ventures Corporation, Federation of Appalachian Housing Enterprises, Frontier Housing, and The Housing Partnership Inc.

RSVP or questions to 877.925.FHLB. Light refreshments served.
Please feel free to extend this invitation to a representative of your staff.

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OF CINCINNATI