

Federal Home Loan Bank of Seattle's Community Investment Programs

Chris Thomas, Relationship Manager

Community Investment Program Summary

Product	Description	Member Benefits	Application Deadline
CIP/EDF	Reduced-rate Letters of Credit and three- to 30-year advances for affordable housing and economic development for households or neighborhoods at or below 100% or 115% of area median income (AMI).	<ul style="list-style-type: none"> • Minimizes funding costs • Supports a broad range of projects • Fast, easy application process • Minimal reporting requirements 	Ongoing
CIP/EDF Short Term Advances	Up to \$50 million is available for 12 to 35 month CIP/EDF advances.		
AHP	Direct subsidy or subsidized advances for capital costs of affordable rental or owner-occupied housing for households at or below 80% AMI.	<ul style="list-style-type: none"> • Attracts new customers • Fosters construction and permanent lending • Raises community profile • Fosters community relationships 	August 1, 2011 4:00 p.m. Pacific Time
Home\$tart	Grants for down-payment and closing costs for first-time homebuyers at 80% or less of area median income (AMI).	<ul style="list-style-type: none"> • Attracts new customers • Increases deposit and mortgage volumes • Fosters community relationships • Few reporting requirements 	Ongoing

CIP Rates



Long-Term Advances		Short-Term Fixed Rate Advances		Prepayable Loan Advance Index	
Today's Rates: 7/05/11					
Long-Term, Fixed-Rate Advances					
Maturity	Bullet		Amortizing		
	Rate	CIP/EDF	Rate	CIP/EDF	
2 year	0.94		0.84		
3 year	1.38	1.08	1.10	0.80	
5 year	2.34	2.04	1.71	1.41	
7 year	3.23	2.93	2.33	2.03	
10 year	4.04	3.74	3.06	2.76	
Today's Rates View All Rates		Excel 89kb Download		PDF 108kb Download	

News [view all](#)

May 19, 2011
Community Investment News: Federal Home Loan Bank of Seattle Announces 2011 Affordable Housing Program Funding Round
[Read More](#)

May 19, 2011
Member News: Implementation of Seattle Bank Collateral Policy Changes
[Read More](#)

Events [view all](#)

The Seattle Bank is preparing for a number of events in the coming months. Please check back soon for more information.
[See Archives](#)

What Counts



**Current Issue:
Q2 2011**
*Liquidity Management:
An Evolving Concept*
by Karl Nelson

[Read Issue](#)

CIP Rates (cont.)

Advances:

Tuesday: 7/05/2011

Overnight Advances

Cash Management (CMA): .710
Flexible Overdraft: 2.25

Short-Term, Fixed Rate Advances

Bullet:		Auction: As of 6/30/2011	
Maturity	Rate	Maturity	Rate
7 days	0.61	28 day	0.38
14 days	0.61	63 day	0.40
30 days	0.46	91 day	0.42
60 days	0.47	182 day	
90 days	0.50		
120 days	0.52		
180 days	0.50		
365 days	0.62		

Intermediate/Long-Term, Fixed-Rate Advances

Bullet:			Amortizing:		
Maturity	Rate	CIP/EDF	Maturity	Rate	CIP/EDF
2 year	0.94		2 year	0.84	
3 year	1.38	1.08	3 year	1.10	0.80
4 year	1.89	1.59	4 year	1.41	1.11
5 year	2.34	2.04	5 year	1.71	1.41
7 year	3.23	2.93	7 year	2.33	2.03
10 year	4.04	3.74	10 year	3.06	2.76
15 year	4.58	4.28	15 year	3.78	3.48
20 year	4.81	4.51	20 year	4.19	3.89
30 year	5.26	4.96	30 year	4.67	4.37

Adjustable Rate Advances

1-Month LIBOR:

Maturity	Standard Spread	CIP/EDF Spread
1 year	0.29	
2 year	0.31	
3 year	0.32	0.02
4 year	0.38	0.08
5 year	0.39	0.09

3-Month LIBOR:

Maturity	Standard Spread	CIP/EDF Spread
1 year	0.22	
2 year	0.24	
3 year	0.25	-0.05
4 year	0.32	0.02
5 year	0.34	0.04

Prime:

Maturity	Spread	Standard Rate	CIP/EDF Spread
1 year	-2.62	0.63	
2 year	-2.54	0.71	
3 year	-2.48	0.77	0.47
4 year	-2.39	0.86	0.56
5 year	-2.35	0.90	0.60

CIP Rates (cont.)


[Advances](#)

[Investments](#)

[Money Market](#)

[US Treasury Auction](#)

[Prepayable Loan Indicative
Index](#)

Today's Rates: 

Seattle Bank Advance Offerings

The Seattle Bank's **Test Your Credit Line Advance** is designed to help Seattle Bank members demonstrate their liquidity access to their regulators. This offers discounted 7-day term funding at .45%. These fixed-rate advances are available for a limited time until June 30, 2011. Funds are available same day or next day, with a minimum advance size of \$100,000. Program restrictions apply and funds are available on a first-come, first-served basis.


Rate as of Tuesday: 6/21/2011

7-day: .45%

Call 800.973.6223 to place your order!

The Seattle Bank's **Symmetrical Prepayment Advance** allows a borrower to prepay an advance—and realize a gain—if interest rates rise to levels greater than those that existed when the advance was originated. These fixed-rate advances are available in terms ranging from one to 30 years, with funds available same day. The minimum advance balance is \$5.0 million (per note), and prepayment is available daily, subject to advance notice.

Download Today's Rates

 PDF 108kb
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 Excel 89kb
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Place an Order or Inquire About Our Products:

Contact our Business Development Team to find out how our structured advance products can complement your funding mix. **Call: 800.340.3452**

Contact our Member Services Team to order or inquire about any other advance product. **Call: 800.426.7538**

Alternatively, please contact any member of our Member Services or

CIP Rates (cont.)

Rates as of Tuesday: 6/21/2011

3-year: 1.34%

4-year: 1.82%

5-year: 2.27%

Visit the [Strategies](#) section of our website to learn more about the Symmetrical Prepayment Advance. Call 800.973.6223 to place your order!

The Seattle Bank is pleased to announce the availability of **Short-Term CIP/EDF Advances**. These advances are available in terms ranging from 12 to 35 months and are offered at a discount of 20 basis points from the posted rate.

Sample rates as of Tuesday: 6/21/2011

12-month: 0.42%

24-month: 0.70%

Contact Member Services at 800.973.6223 for rate quotes for specific terms.

Please visit the [CIP/EDF section](#) of our website for program information and complete the [CIP/EDF Application](#) to apply. Contact the [Community Investment Department](#) with any questions regarding program requirements.

Business Development Teams on their direct telephone line.

[Contact Us](#)

Related Links

[Advance Products](#)

[Letters of Credit](#)

[Putable Rate Analysis](#)
(pdf)

[Reduced Rate Advances for Community-Investment](#)

[Historical Rates](#) (xls)

[Contingency Funding](#)

[Transaction Authorization for Funding](#) (pdf)



CIP/EDF Eligible Uses

- Invest in low income housing tax credits or lender consortia where underlying mortgages may be funded directly with CIP/EDF
- Purchase mortgage revenue bonds or mortgage-backed securities representing pools of CIP/EDF-eligible loans
- Finance loans for:
 - Housing: Construction, rehabilitation, purchase, or refinancing of existing loans when refinancing is necessary to preserve or rehabilitate affordable housing
 - Economic Development: Commercial, manufacturing, social service, and public facility projects and services; private/public infrastructure; and small business

CIP/EDF Eligibility Criteria

For Affordable Housing:

- Homeownership or rental housing where at least 51% of units are affordable to households earning up to 115% of area median income (AMI)

CIP/EDF – Information Needed to Determine Project Eligibility

For Affordable Housing Projects:

Unit Type	# Units	Monthly Rent/Sales Price
Studio	_____	\$ _____
One Bedroom	_____	\$ _____
Two Bedroom	_____	\$ _____
Three Bedroom	_____	\$ _____
Four Bedroom	_____	\$ _____

CIP/EDF Eligibility Criteria

For Economic Development, one of the following criteria:

- **Geographic Eligibility**
 - Communities earning up to 100% of AMI for urban areas, 115% of AMI for rural areas
- **Beneficiary Eligibility**
 - The project creates or sustains jobs where at least 51% of salaries are up to 100% of AMI for urban areas, 115% of AMI for rural areas
 - At least 51% of the households who benefit from or are provided services by the project have incomes up to 100% of AMI in urban areas, 115% of AMI in rural areas
- **Small Business Loans as defined by the Small Business Administration (SBA)**

Community Investment Program/Economic Development Fund (CIP/EDF)

- Features
 - Fixed or variable rates
 - Qualifying loan may not have been funded more than 90 days before receiving CIP/EDF approval
 - Standard Seattle Bank advance and/or Standby Letter of Credit requirements apply

CIP/EDF at Work in the Community

Holladay Hills Apartments

Salt Lake City, Utah

Zions First National Bank

\$1.6 million CIP/EDF advance to finance the permanent loan for an affordable housing apartment complex. Other funding sources included LIHTC.



CIP/EDF: Member Benefits

- *Short, easy-to-use application* can be quickly prepared and submitted any time an opportunity presents itself
- *Flexible funding* to meet a broad range of needs:
 - Equally accessible to large and small asset size members
 - May be eligible for CRA credit
- *Enhances members' competitive position:*
 - Low-cost, fixed-rate funding helps to manage interest-rate risk and maintain margins
 - Ability to support a broad range of projects builds community good will for members

Affordable Housing Program (AHP)

- Funded with 10 percent of the Seattle Bank's annual net earnings from the previous year.
- AHP subsidy supports the acquisition, rehabilitation, or development of affordable rental and owner-occupied housing for families earning 80% or less of AMI, adjusted for family size.
- Funds may be used to reduce principal, write down an interest rate, or fund down payment and closing costs.
- 20% of the units of a rental project must be for incomes at or below 50% AMI.
- At least \$2.4 million will be available in 2011. Applications are due on August 1, 2011 by 4:00 p.m. Pacific Time.

AHP at Work in the Community

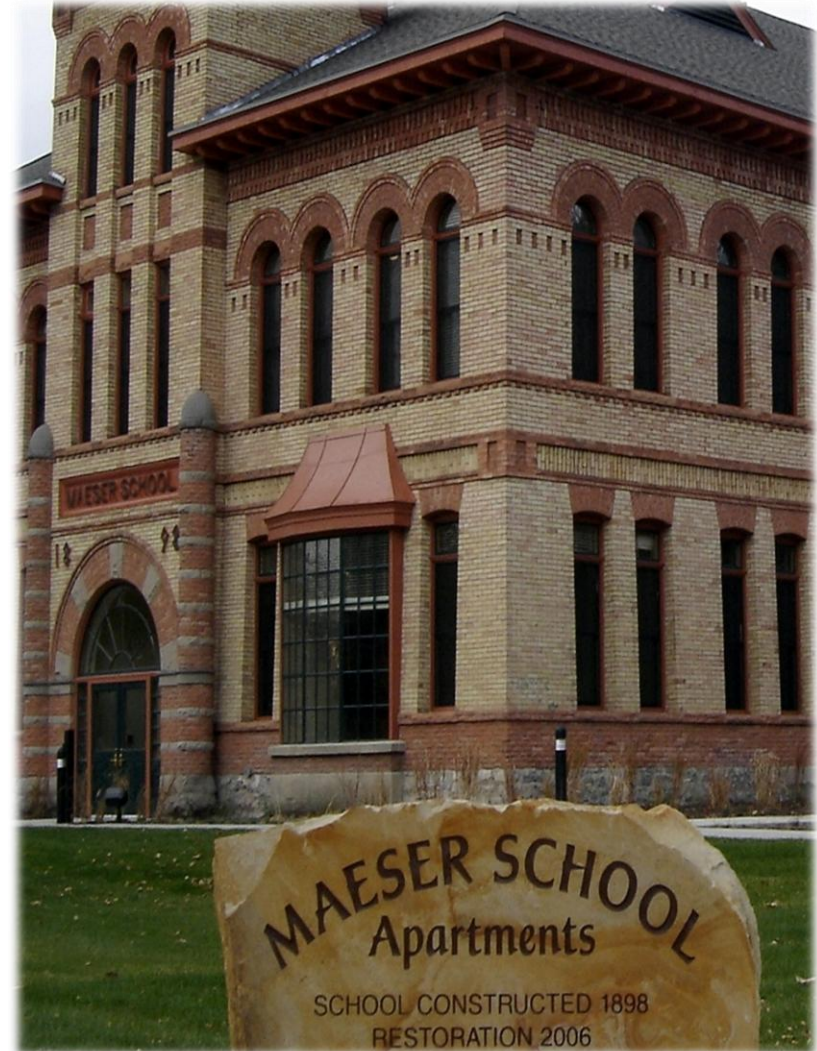
City Center Affordable Housing
Coalition

Provo, Utah

Bank of American Fork

\$489,734 AHP award to assist in financing the rehabilitation and construction of 72 units of affordable housing for low-income seniors, first-time homebuyers, and disabled individuals.

The project preserved an historic property as affordable housing.
Funding sources included LIHTC.



AHP at Work in the Community

The Smith Apartments
Salt Lake City, Utah

Zions First National Bank

\$140,000 AHP award to renovate two complexes providing a total of 38 units of housing for formerly homeless individuals, including four units for those with disabilities.

Funding sources included HOME and LIHTC.



The Seattle Bank's Impact

Since 1990

- \$183 million in subsidy awarded to finance housing for 35,700 households
- \$3.6 billion in reduced-rate advances provided to finance economic development projects and housing for 49,400 households
- A total of 85,100 units have been supported by the Seattle Bank's Community Investment programs – the Energy Solutions Arena, by comparison, seats 22,000



Members' Community Investment Advantage

The Federal Home Loan Bank of Seattle's community investment programs offer the opportunity to:

- **Reduce funding costs**
- **Attract new customers and build customer loyalty**
- **Increase deposits and mortgage volumes**
- **Foster community relationships**
- **Raise your profile in their community**
- **Meet CRA obligations**