



## NEWS RELEASE

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### **AFFORDABLE HOUSING GETS BOOST IN CONNECTICUT**

#### **FHLB BOSTON AWARDS \$8.8 MILLION FOR 157 UNITS IN KENT, NEWINGTON, NEW LONDON, OLD SAYBROOK, AND SOMERS**

BOSTON — The Federal Home Loan Bank of Boston announced that five Connecticut initiatives will receive more than \$8.8 million in grants, loans, and interest-rate subsidies through its Affordable Housing Program. These funds will be used to finance 157 units of affordable rental and ownership housing for households earning at or below 80 percent of area median income.

“The need for safe, decent affordable housing remains critical in these challenging times,” said Edward A. Hjerpe III, the Bank’s president and CEO. “Beyond increasing the supply of housing, these funds will help create jobs and stimulate economic development in Connecticut.”

Congressman Joe Courtney added, “In the wake of the housing bubble and in this tough economy, affordable housing is critical to Connecticut families. These awards will not only provide long-term security and peace of mind for families in need; they will spur job growth across our region, as well.”

AHP funds are used to create or preserve affordable housing and help pay construction, acquisition, or rehabilitation costs. Member financial institutions work with local developers to apply for AHP funding, which is awarded through a competitive scoring process. The application deadline for next year’s AHP awards is September 30, 2011.

The mission of the Federal Home Loan Bank of Boston is to provide highly reliable wholesale funding and liquidity to member financial institutions in New England, which enables the Bank to deliver competitively priced financial products, services, and expertise that support housing finance and community economic growth, including programs targeted to lower-income households.

Information on the awards follows, and is also available at [www.fhlbboston.com/ahp](http://www.fhlbboston.com/ahp).

**Location:** Kent

**Member:** Union Savings Bank

**Sponsor:** Kent Affordable Housing, Inc.

**Award:** \$208,289 grant and subsidy, \$210,000 advance

**Units:** 5 rental

**Stuart Farm Apartments.** This property was purchased by the sponsor at foreclosure, and the town approved special permitting and a 10-year real estate tax abatement to reduce the project’s fixed operating costs. Area nonprofits will offer daycare and afterschool services. Union Savings

Bank provides construction financing and permanent debt through the AHP-subsidized advance. Other funding comes from the Department of Community and Economic Development HOME and sponsor equity.

**Location:** Newington

**Member:** Webster Bank, N.A.

**Sponsor:** Women's Institute for Housing & Economic Development, Inc.

**Award:** \$800,000 grant and subsidy, \$3.3 million advance

**Units:** 74 rental

**Victory Gardens.** As part of the federal initiative to end veteran homelessness, this initiative will be built on the Veterans Affairs Medical center campus. Fifty percent of these units will be set aside for formerly homeless veterans. Over four acres of the 11-acre site will be dedicated green space, and the buildings will incorporate many green features. Residents will be offered substance-abuse counseling, employment training, and GED and ESL services. Webster Bank, N.A. provides construction financing and permanent debt through the AHP-subsidized advance. Other funding will be provided through Veterans Affairs Military Construction appropriations, the Connecticut Department of Economic and Community Development, and Low Income Housing Tax Credit equity.

**Location:** New London

**Member:** Liberty Bank

**Sponsor:** Habitat for Humanity of Southeastern Connecticut

**Award:** \$50,000 grant

**Units:** 2 ownership

**Fitch Avenue Homes.** The land donated for this new construction was remediated with a \$200,000 Brownfields Grant from the Environmental Protection Agency, and the homes will incorporate green-building features. The buyers must complete 400 hours of sweat equity and pre- and post-purchase homeownership counseling. Liberty Bank will provide a long-term mortgage to one of the homebuyers. Other financing for this initiative comes through the sponsor by the City of New London, CDBG, and additional foundations and grants.

**Location:** Old Saybrook

**Member:** Liberty Bank

**Sponsor:** Women's Institute Realty of Connecticut, Inc.

**Award:** \$587,158 grant and subsidy, \$600,000 advance

**Units:** 16 rental

**Ferry Crossing.** This project consists of five buildings that will surround a common green adjacent to the town park. The mix of one-bedroom flats and two- and three-bedroom townhomes will provide low-, very low-, and moderate-income workforce housing for individuals and families. Two units will be targeted to homeless, disabled veterans and two others will be set aside for homeless families. The sponsor will coordinate with local service agencies to provide employment, afterschool, financial literacy, and health care services. Liberty Bank provides construction and permanent financing through an AHP-subsidized advance.

**Location:** Somers

**Member:** Rockville Bank

**Sponsor:** Somers Housing Authority

**Award:** \$799,080 grant and subsidy, \$2.25 million advance

**Units:** 60 rental

**Woodcrest Elderly Housing Expansion - Phase II.** This new construction will be built on land donated by the town and represents the second phase of the Housing Authority's Woodcrest

campus. The initiative targets low- and very low-income seniors and will include managed health care and adult care services. The layout preserves most of the surrounding green space and provides extensive recreational space for residents. The project will also incorporate high-efficiency construction features to reduce maintenance and energy costs. Rockville Bank provides permanent financing through an AHP-subsidized advance, and other funding comes from Low Income Housing Tax Credits, HUD, CDBG, and HOME funds.

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