

Community Lending Program (CLP)

Community Lending Program advances are available to members at FHLBank's cost of funds to support:

- Community and economic development projects
- Affordable housing projects
- Portfolios of small business loans or mortgages to low- to moderate-income households

Benefits to FHLBank Members

- Available at FHLBank's cost of funds – typically 15 to 25 basis points below FHLBank's regular loan rates
- Permits pass-through and mark-up options
- Mitigates interest rate risk by match-funding
- Deepens relationships with the public and private sectors
- Can enhance CRA standing

"Through CLP, we are able to provide municipalities with a cost-effective option to pay for special community projects. We have been able to utilize this program over the past few years. It's a win/win for all parties involved."

*– Randall Black,
CEO, First Citizens Community Bank*

How to Apply

CLP is a revolving pool of funds available to FHLBank members year-round. To request funding, members simply submit a short application with pertinent accompanying data that documents a qualifying use for the funds. Funds must then be drawn down within 90 days of the member's loan origination.

CLP in 2018

- \$2 billion revolving pool of funds is available year-round
- Includes a per-member cap of \$50 million in new CLP funding per year or a \$150 million in total outstanding CLP advances, whichever occurs first
- Program resources and other helpful documents can be found online at www.fhlp-pgh.com



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*See reverse for examples of how members
have used CLP in their communities.*

Community Lending Program Success Stories

First Resource Bank Helps State-of-the-Art Equine Facility in Chester County, Pa.



A new state-of-the-art equine clinic and surgical facility was constructed on the site of an old dairy farm in Oxford, Pa., to offer an array of the latest advancements in veterinary medicine. The project qualified for a \$1.3 million five-year, low-cost loan from FHLBank's Community Lending Program (CLP). CLP funding, along with additional financing from FHLBank member First Resource Bank, helped the buyer meet his construction costs. "The support and solutions for financing offered to us set First Resource apart from other offers we had considered," said Dr. John Lee Jr., DVM.

Glenn Marshall, president and CEO of First Resource Bank, said, "CLP supports our bank and our growing small business clients. We appreciate the cost of funds, and our clients appreciate the opportunity to grow and create jobs in our Chester County market. It's a winning formula."

MVB Bank Champions CLP – and a Mining Contractor Adds Jobs as a Result



Mining has long been the backbone of West Virginia's economy, and Victory of West Virginia Inc., a mining design/build contractor based in Fairmont, has serviced the industry for more than 65 years. When the former owner decided to retire, he put the business up for sale, and a local entrepreneur became interested. The entrepreneur called on FHLBank member MVB Bank for help with financing.

The purchase qualified for a \$1.3 million one-year, low-cost loan from FHLBank's Community Lending Program (CLP). CLP funding, along with additional financing from MVB Bank, helped the buyer acquire the company, keeping jobs in Marion County. "The deal would not have happened without MVB's help," noted Wayne Stanley, Victory's chief executive officer.

Larry Mazza, president and CEO of MVB Bank, added, "This is our home state, so we're eager to find creative and competitive ways to help businesses here. And because Victory impacts energy, especially coal, there's a ripple effect even beyond West Virginia."

ERIEBANK Helps Former Meadville School Transform into Affordable Housing and Commercial Office Space



After sitting empty nearly 10 years, the former Meadville Area Junior High School, in Meadville, Pa., closed the book on vacancy for good. The 90-year-old building received new life when it was transformed into a 56-unit residential apartment complex for low- to moderate-income families, as well as a commercial office facility. The building boasts more than 150,000 square feet of much-needed space.

FHLBank member ERIEBANK, a division of CNB Bank, used a \$700,000 Community Lending Program (CLP) loan to jump-start the \$6 million renovation project. "It is precisely this type of project that ERIEBANK was developed for,"

said David Zimmer, ERIEBANK's president. "I am very proud of the bank's involvement in this community project."