



COMMUNITY LENDING PROGRAMS

Members can take advantage of our Community Lending Programs (CLP) to gain access to a reliable source of funding at our lowest advance rates for projects that create housing, improve business districts and strengthen neighborhoods. Our attractive funding programs include, the Community Investment Program (CIP), the Rural Development Advance (RDA) and the Urban Development Advance (UDA) programs.

Program-Specific Lending

In addition to submitting CIP, RDA and UDA applications on a Project-Specific basis, you may now apply for a Program-Specific commitment that will operate similar to a pre-approved line of credit. Instead of applying for one specific project, you will describe the underwriting criteria of CIP-, RDA- or UDA-eligible loans to be originated under a targeted lending program. These targeted lending programs can include:

- » CIP-eligible multi-/single-family residential lending; or
- » RDA/UDA-eligible commercial, industrial and small business lending.
- » Once approved for a Program-Specific commitment, all loans originated within the parameters of the approved lending program may be submitted for funding.

Loans that have already been originated prior to the submission of the Program-Specific application are eligible for funding as long as the loans were originated within 3 months prior to the funding of the advance. **For 2014, each member will be limited to a total CLP commitment amount of \$100 million or 5% of outstanding advances (as of 12/31/13), whichever is greater.**

The success story on the right highlights how one member took advantage of this program enhancement.

Community Lending Program Benefits

- » Applicable to a wide range of housing and community/economic development activities
- » Flexible funding structures at favorable rates and terms
- » Ability to match terms of the end loan to your customer to hedge interest rate risk
- » Reduce financing costs
- » Access to lower cost of funds at favorable terms for end loan recipient
- » Enhance CRA performance
- » Improved community relations with gained recognition for community development activities

Success Story

Provident Bank Uses a \$25 Million UDA, to Promote Small Business Growth in Orange County

The FHLBNY issued a \$25 million dollar, program-specific UDA commitment to member lender Provident Bank to support the development of the Family Business Loan Program. The program will be a joint effort between Provident Bank, the Small Business Administration 504 Program, and Progress Development Corporation to revitalize distressed areas of Newburgh, Port Jervis, and Middletown, New York.

Low-interest loans will be available through the program to encourage small family-owned businesses to locate or expand within the targeted cities of Orange County.

"By providing attractive new loan options, these cities instantly become more desirable locations to create or expand a business."

- Robert Sansky
EVP, Provident Bank

See reverse for more information about our Community Lending Programs>

COMMUNITY LENDING PROGRAMS (CONTINUED)



Community Investment Program (CIP)

Criteria:

CIP provides financing for homeownership and rental housing development activities that benefit individuals/families with incomes at or below 115% of the area median income (AMI).

Eligible Uses:

- » Property acquisition or refinancing
- » New construction
- » Renovation/Rehabilitation

Rural (RDA)/Urban (UDA) Development Advance

Criteria:

RDA and UDA programs provide financing for community and economic development projects or lending programs that are either located in:

- » a rural area¹ benefiting individuals or families at or below 115% of the AMI, or
- » in an urban area² benefiting individuals or families at or below 100% of the AMI

Eligible Uses:

- » Acquisition, construction, refinancing or rehabilitation
- » Small Business lending
- » Equipment purchase for Commercial expansion
- » Debt refinancing or consolidation for Commercial Business
- » Community Infrastructure Projects

¹ A rural area is defined as a unit of general local government with a population of 25,000 or less, an unincorporated area outside a Metropolitan Statistical Area (MSA), or an unincorporated area within an MSA that qualifies for housing or economic development assistance from the U.S. Department of Agriculture.

² An urban area is defined as a unit of general local government with a population of more than 25,000, or an unincorporated area within an MSA that does not qualify for housing or economic development assistance from the U.S. Department of Agriculture.

For an application or more information regarding any of the Community Lending Programs, please visit www.fhlbny.com/community or contact us at 212-441-6850.

The FHLBNY, in its sole discretion, reserves the right to further limit or terminate program-specific housing or economic development programs at any time. Advances made under the Community Lending Program are subject to the credit and collateral guidelines defined in the Member Products Guide.