



FOR IMMEDIATE RELEASE  
August 4, 2009

CONTACT: Eric Amig  
(212) 441-6807  
Brian Finnegan  
(212) 441-6877

**FEDERAL HOME LOAN BANK OF NEW YORK**  
**AWARDS \$100,000 AFFORDABLE HOUSING GRANT IN PATERSON**  
*-Spruce Terrace Apartments will provide eight units of supportive housing-*

Paterson, New Jersey – The Federal Home Loan Bank of New York announced today the award of a \$100,000 affordable housing grant to the New Jersey Community Development Corporation to help fund the development of eight apartments that will provide permanent housing for individuals who have a mental illness. Hudson City Savings Bank, a Home Loan Bank member, submitted the application for the funding.

“Anyone who lives in New Jersey knows that we need all the help we can get to cultivate affordable housing,” said U.S. Rep. Bill Pascrell, Jr. (NJ-8), a member of the House Ways and Means Committee and a former Paterson mayor. “Without a home, it’s almost impossible for a person to get any other part of his or her life in order. This grant will help provide housing for those who are among our least fortunate. It’s good for them and it’s good for Paterson.”

-more-

This year marks the 20<sup>th</sup> anniversary of the Federal Home Loan Banks' Affordable Housing Program (AHP), which was created by Congress in 1989. Since the Program's inception, the Federal Home Loan Banks have provided more than \$3.6 billion to facilitate more than 15,000 affordable housing projects across the nation. These grants have created nearly 670,000 units of affordable housing. At the Federal Home Loan Bank of New York, AHP has supported more than 1,100 projects with grants totaling more than \$320 million, creating more than 46,000 units of affordable housing and generating nearly \$6 billion in total development costs.

“We are honored to partner with Representative Pascrell and the Federal Home Loan Bank of New York in presenting this grant to the New Jersey Community Development Corporation, an organization that is creating much-needed affordable housing,” said Christopher Dooley, First Vice President of Hudson City Savings Bank.

“For 20 years, the Home Loan Bank of New York has been given the tremendous opportunity to work hand-in-hand with New Jersey's esteemed elected officials, its locally-focused hometown banks and its terrific community organizations to bring safe, stable and affordable housing to the State,” said Alfred A. DelliBovi, president and CEO of the Home Loan Bank. “It is an opportunity, and a partnership, that we are most grateful for.”

The \$100,000 grant will be used to help fund the construction of an eight unit apartment building that will provide permanent housing for individuals who have a mental illness. The project will be built on the site of a former poorly maintained multifamily building which was destroyed by fire, and is in the heart of the Great Falls Historic District, centrally located with easy access to community resources and services offered by public and private organizations. The sponsor's administrative headquarters is nearby which will enable the residents to take advantage of many programs and services, ranging from employment training initiatives to community service activities.

Additional financing will be provided by U. S. Department of Housing and Urban Development McKinney-Vento Homeless Assistance Funds, the New Jersey Special Needs Housing Trust Fund, and City of Paterson HOME funds.

Today's grant is part of a total of \$16 million in AHP subsidies that the Federal Home Loan Bank of New York has announced in August. These grants will fund 39 housing projects that will generate 1,545 units of affordable housing in New Jersey, New York, Delaware and Pennsylvania. In January 2009, the Federal Home Loan Bank of New York awarded grants totaling \$19.1 million to fund 51 housing projects that will generate 2,213 units of affordable housing and an anticipated \$409.8 million in development costs. For more information on these grants, please visit [www.fhlbny.com/news/pressrelease.htm](http://www.fhlbny.com/news/pressrelease.htm).

The Federal Home Loan Bank's Affordable Housing Program, created in 1989, provides member community lenders with direct subsidies, which are passed on to qualified households through a sponsoring local non-profit organization. AHP financing is combined with other funding sources to create housing for moderate-, low- and very-low-income families. Program awardees receive this funding through semi-annual competitive rounds. Each competing project must be sponsored by a financial organization that is a member of the Federal Home Loan Bank in partnership with a community-based sponsoring organization.

**Federal Home Loan Bank of New York**

The Federal Home Loan Bank of New York is a Congressionally chartered, \$130 billion, wholesale Bank. It is part of the Federal Home Loan Bank System, a national wholesale banking network of 12 regional, stockholder-owned banks. The Federal Home Loan Bank of New York serves more than 300 community lenders in New Jersey, New York, Puerto Rico, and the U.S. Virgin Islands. The mission of the Home Loan Bank is to advance housing opportunity and local community development by maximizing the capacity of community-based member-lenders to serve their markets.

###

**Safe Harbor Statement under the Private Securities Litigation Reform Act of 1995**

This report contains forward-looking statements within the meaning of the "safe harbor" provisions of the Private Securities Litigation Reform Act of 1995. These statements are based upon our current expectations and speak only as of the date hereof. These statements may use forward-looking terms, such as "projected," "expects," "may," or their negatives or other variations on these terms. The Bank cautions that, by their nature, forward-looking statements involve risk or uncertainty and that actual results could differ materially from those expressed or implied in these forward-looking statements or could affect the extent to which a particular objective, projection, estimate, or prediction is realized. These forward-looking statements involve risks and uncertainties including, but not limited to, regulatory and accounting rule adjustments or requirements, changes in interest rates, changes in projected business volumes, changes in prepayment speeds on mortgage assets, the cost of our funding, changes in our membership profile, the withdrawal of one or more large members, competitive pressures, shifts in demand for our products, and general economic conditions. We undertake no obligation to revise or update publicly any forward-looking statements for any reason.