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Houston Habitat Receives AHP Grant from Allegiance Bank Texas and FHLB Dallas to Assist First-time Homebuyers in New Houston Development

HOUSTON, TEXAS, September 17, 2010 – The Federal Home Loan Bank of Dallas (FHLB Dallas) is pleased to announce it has awarded a \$149,227 Affordable Housing Program (AHP) grant to Houston Habitat for Humanity (Houston Habitat). The grant will assist 20 first-time homebuyers with down payment and closing costs on a newly constructed home in Milby Park, a new Habitat neighborhood located in northeast Houston. The grant was facilitated by Allegiance Bank Texas in Houston, a partner of Houston Habitat and a member institution of FHLB Dallas.

Each year, FHLB Dallas returns 10 percent of its profits in the form of AHP grants issued by its member financial institutions, such as Allegiance Bank, to assist in the development of affordable owner-occupied and rental housing for very low- to moderate-income households. In 2010, FHLB Dallas awarded \$18.5 million in AHP grants through its member institutions to 79 housing projects, which will help create or renovate 2,632 housing units across FHLB Dallas's five-state District of Arkansas, Louisiana, Mississippi, New Mexico, and Texas. Of the \$18.5 million awarded, \$5.5 million was allocated to projects in Texas which will create or renovate 912 housing units within the state.

Martha Korn, grants manager at Houston Habitat, said this is the organization's first AHP grant, and the extra funding will significantly help the recipient families move into a new home.

"We were approached by Allegiance Bank Texas as a possible candidate for AHP," said Ms. Korn. "We had heard about FHLB Dallas, but didn't know where we fit into its program. Once we began looking into it, we felt it would be a great match for us, and it ended up being a great experience. Both Allegiance Bank Texas and FHLB Dallas were very helpful in getting us through the process."

Milby Park will eventually consist of 62 brick, energy-star rated homes with varying floor plans of three to four bedrooms. Ten homes have already been constructed, and Houston Habitat hopes to have the subdivision completed by early 2012. All of the homes will meet the Greater Houston Builders Association's Green Built Gulf Coast

(GBGC) construction standards, which feature reinforced hurricane straps on beams, mud-sealed anchors on floors, and hurricane clips on studs and roof trusses. Homes are available to qualified, low-income Houston Habitat applicants who have been approved for a mortgage and have completed their Habitat coursework, including 300 hours of sweat equity and homeowner education courses.

“This was our first time to sponsor an AHP grant, and it was the smoothest application and approval process that we have ever experienced,” said Daryl Bohls, president and chief operating officer at Allegiance Bank. “Allegiance Bank is committed to serving all sectors of our community, and we wanted to find a venue that differs from business banking. So, we chose to explore affordable housing, and Houston Habitat’s Milby Park was a great fit for us and a prime candidate for the AHP program.”

Milby Park is located in a Houston neighborhood that is being revitalized with new infrastructure, expanded roadways, new schools, restaurants and retail.

“The entire area is experiencing a rebirth,” said Ms. Korn. “Houston Habitat wants to be a part of that, and it’s a great place for our recipients and their families to start a new beginning.”

This year marks the 20th anniversary of AHP, and the \$18.5 million represents the largest amount FHLB Dallas has awarded in any single year of the program. Since 1990, AHP has assisted more than 38,000 families with their affordable housing needs.

About Houston Habitat for Humanity

Since 1987, Houston Habitat for Humanity, along with thousands of sponsors and volunteers, has built more than 830 affordable homes for purchase by hard-working, low-income Houstonians. Qualified Houston Habitat homebuyers agree to a no-interest mortgage and contribute 300 hours of "sweat equity" in lieu of a down payment. Partner families are also provided with classes on money management and home maintenance. For more information about Houston Habitat, visit the web site at www.houstonhabitat.org or by calling 713-671-9993.

About the Federal Home Loan Bank of Dallas

The Federal Home Loan Bank of Dallas is one of 12 district banks in the FHLBank System created by Congress in 1932. FHLB Dallas, with total assets of \$57.1 billion as of June 30, 2010, is a member-owned cooperative that supports housing and community development by providing competitively priced loans and other credit products to more than 900 members and associated institutions in Arkansas, Louisiana, Mississippi, New Mexico, and Texas. For more information, visit the FHLB Dallas web site at fhlb.com.

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