



**For Immediate Release
January 8, 2007**

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MEDIA RELEASE

Four Brownsville Banks Award \$680,000 in Affordable Housing Grants

The Community Development Corporation of Brownsville - the largest non profit producer of single family affordable housing in the State of Texas, with Texas State Bank, International Bank of Commerce - Brownsville, Lone Star National Bank, and First Community Bank, in partnership with the Federal Home Loan Bank of Dallas (FHLB) announced today \$680,000 from the FHLB for the Housing Equity Leverage Program (HELP) and the Affordable Housing Program (AHP) to benefit families seeking to own their first home.

International Bank of Commerce - Brownsville, Texas State Bank, Lone Star National Bank and First Community Bank through the HELP Program of the Federal Home Loan Bank of Dallas, were each awarded \$50,000.00 to provide matching funds to families saving to purchase a new home. A total of forty (40) home owners are expected to be assisted.

For every one dollar (\$1.00) a family saves toward the purchase of their first home, the Housing Equity Leverage Program (HELP) will provide an additional three dollars (\$3.00) of private matching dollars. For example, if a family saves \$1,500.00 of their own funds, the HELP program will gift them an additional \$4,500.00, making their total savings \$6,000.00 that can be used to purchase their new home.

The Community Development Corporation of Brownsville will provide first time homebuyers with prepurchase counseling in association with the HELP Grant. HELP funds will be available to families purchasing homes in the Community Development Corporation of Brownsville Affordable Housing Subdivisions in the City of Brownsville including Tradition Estates (Paredes Line Road, north of Alton Gloor); Mesquite Gardens (803, north of 511); and El Naranjal Subdivision (Boca Chica & El Naranjal Drive).

The program requires each participant to open a dedicated savings account in any of the financial institutions. Families must save a minimum of \$1,000.00 to qualify for the matching funds. In lieu of saving each month, a family may also deposit their income tax refund into the account to assist in more rapidly accumulating the funds.

In addition, each of the banks was awarded \$120,000 to sponsor four affordable housing projects being developed by the Community Development Corporation of Brownsville in rural areas. Each Federal Home Loan Bank dedicates a percentage of profits and makes these funds available to member banks to sponsor affordable housing projects on a competitive basis.

On December 15, 2006, the FHLB of Dallas announced awards totaling \$4,819,230 in Affordable Housing Project awards to thirty one (31) projects in Texas. CDCB, with its member banks, received \$480,000 for four projects.

Don Currie, CDCB Executive Director, emphasized the importance of these awards. "FHLB AHP funds directly provide down payment closing cost assistance in the form of a grant to low income families seeking homeownership. The AHP award will assist eighty (80) families with up to a \$6,000 grant to help them realize their homeownership dream."

The participation of each of the member banks in the projects themselves is also a significant component of the award process. The four member banks, in addition to providing the AHP grant funds, are providing over \$3 million in private sector loans to CDCB for development, acquisition, and interim construction financing on each of the projects.

Projects awarded AHP funds include CDCB's Rural and Colonia Loan Program sponsored by Texas State Bank; Villa del Sur II Subdivision sponsored by Lone Star National Bank; Inwood Subdivision sponsored by International Bank of Commerce - Brownsville, and North Austin Subdivision in San Benito sponsored by First Community Banks.

Fred Rustenburg, President of International Bank of Commerce - Brownsville, stated: "International Bank of Commerce is pleased to be part of both the AHP and HELP Program and to bring private sector grant dollars to benefit our citizens. Homebuyer education and affordable financing are critical for families seeking a first time purchase of a home, and the linkage with the Community Development Corporation of Brownsville assures that our new homeowners will be well prepared to make one of the most significant investments of their lives."

Families interested in participating in the AHP or HELP program can call Joanne at the Community Development Corporation of Brownsville at (956) 541-4955.