



Community Lending Plan

2008

EXECUTIVE SUMMARY

This Community Lending Plan summarizes the Bank's recognition of the District's community lending needs and presents our goals for 2008. For this Plan, "Community Lending" is defined as "providing financing for economic development projects for targeted beneficiaries." The Community Investment Cash Advance (CICA) regulation published by the Federal Housing Finance Board ("Finance Board") requires that on an annual basis, each Federal Home Loan Bank ("Bank") develop a Community Lending Plan ("Plan").

This Plan consists of three parts. Part I describes the process and plan for conducting market research. Part II outlines the Community Lending related initiatives and lending goals for 2008. Part III reviews the highlights of the Bank's Community Lending related activities for 2007.

In 2007, the Bank performed market research regarding the economic development needs of the District, and has complemented this research by continuing to sponsor meetings/conferences throughout the district to gain insight from our members and community organizations regarding the needs in the District. This Plan summarizes the steps taken to research those needs and presents the Bank's initiatives and goals to address those needs.

In summary, the Bank initiatives in 2008 will be to:

- A. Encourage broader use of Community Investment Cash Advance (CICA) products.
- B. Provide technical assistance to Members and Community Groups
- C. Provide Informational and Marketing Outreach
- D. Meet Quantitative Performance Goals

I. THE PROCESS AND PLAN

MARKET RESEARCH

As mentioned in the Executive Summary, the Bank has continued to confer with the following organizations for their insight into the challenges facing our district:

- Member institutions
- Public and private economic development organizations
- Affordable Housing Advisory Council

Some of the Regional Trends of our District are presented in the Market Research Section (*See Exhibit A*). For the year 2008, the Bank plans to continue its focus of supporting our members in meeting the following needs within our District:

- Need for long-term credit for economic development
- Need for technical assistance for member banks and community organizations in helping to meet economic development needs in the District

These long-term goals remain relevant based upon the economic and demographic challenges facing the district in 2008.

II. COMMUNITY LENDING RELATED INITIATIVES AND LENDING GOALS FOR YEAR 2008

I. INITIATIVES FOR 2008

Building upon the research findings and the results achieved in 2007, the Bank will undertake the following community lending initiatives for the year 2008:

A. Encourage broader use of Community Investment Cash Advance (CICA) products.

- Build relationships with community and economic development organizations.
- Consider special offerings to increase program participation.

B. Provide technical Assistance to Members and Community Groups

- Participating in and supporting conferences and workshops sponsored by community organizations.
- Increase member and community organization's awareness of CICA products.
- Sponsor informal workshops on community lending issues.

C. Provide Informational and Marketing Outreach

- Press releases
- Special Mailings
- Community Investment Newsletter
- The Bank's website, www.fhlbny.com

2. QUANTITATIVE COMMUNITY LENDING GOAL FOR 2008

The Bank proposes the following community lending goal for 2008:

- Originate new Community/Economic Development Commitments - \$120 million

III. HIGHLIGHTS OF COMMUNITY LENDING RELATED ACTIVITIES FOR YEAR 2007

ACCOMPLISHMENTS IN 2007

As presented below, the Bank pursued its community lending strategy on several fronts:

A. Community Investment Newsletters

Periodically, the Bank prepares and distributes a Community Investment newsletter. It is distributed to all member banks and almost 1,400 sponsors in the Home Loan Bank's service area. The newsletter is used as a vehicle to showcase and describe successful housing and community development approaches. This "best practice" approach highlights exemplary housing and community development initiatives – including the Community Investment Program projects, which are utilized as a CRA tool by our members. The articles provide a blueprint of successful ventures for our members.

B. Outreach and Technical Assistance Meetings

The Community Investment Officer and other Bank personnel have held numerous technical assistance meetings with our member banks, and community development organizations as well as participated in various conferences and seminars throughout the District. In these forums the Bank presents successful projects and discusses how the Bank's products can be useful tools for the challenges of community development.

C. Community & Economic Development Lending in 2007

During 2007, the Bank aggressively marketed the Rural Development Advance (RDA) and Urban Development Advance (UDA) programs. The RDA and UDA serve as potential funding sources for economic development opportunities. In 2007, the Bank surpassed its goal of \$50 million by committing a total of \$148.8 million in advances to 20 economic development projects in the district. These projects are listed in *Exhibit B*.

D. Other Community Lending in 2007

(a) Community Investment Program (CIP)

The Community Investment Program has assisted households with a variety of housing needs. From January to December 15, 2007, the Bank committed a total of \$ 422 million in CIP funds and Member lenders drew down more than \$96 million in CIP advances.

(b) Fresh-Start Home Finance

In 2007, the Bank set aside \$300 million, under the umbrella of its Community Lending Program, to help qualified homeowners at or below 115% of the area median income who are facing unaffordable or soon-to-be unaffordable mortgage payments. Through this program, the HLB offers members “at-cost” advances to provide foreclosure prevention assistance for low- to moderate-income households who cannot afford the terms of their existing mortgages. A total of \$111,978,000 in Fresh-Start Home Finance funds was committed in 2007.

(c) Disaster Relief Funds

The HLBNY set aside \$250 million for immediate gap financing to assist with restoration efforts in various counties throughout New York and New Jersey designated by FEMA as disaster areas. Eligible uses for funds included both housing and economic development needs. Our members utilized both the CIP and UDA programs under the Disaster Relief Program. The HLBNY committed \$29,892,885 in 2007 to this program. Please refer to Exhibit B for highlights.

(d) Affordable Housing Program (AHP)

In 2007, the Bank conducted two application periods (April 2 and October 1) and received 182 applications. One hundred eight applications were submitted for projects located in New York; 60 from New Jersey, 7 from Puerto Rico, and 7 for projects located out of district. In total \$76,913,923 of subsidy was requested to finance 8,599 units of affordable housing.

The following are the final results of the first 2007AHP application round:

- 46 projects approved
- \$22,265,057 in subsidy committed
- 2,713 units approved

The results of the 2007 second AHP application round will be announced after the Board of Directors meeting scheduled for December, 2007.

(e) First Home Clubsm Program

As of October 31, 2007, there are 61 approved member participants in the First Home Clubsm Program. There are 17 in New Jersey, 39 in New York, 4 in Puerto Rico and 1 in the U.S. Virgin Islands.

First Home Clubsm Program Facts:

- \$ 37,084,256 total program allocation
- \$13,541,525 funded to 2,771 eligible households
- \$15,015,369 set aside for currently enrolled households
- 3,074 households currently enrolled and participating.

(f) Letter Of Credit (LOC)

Activity in 2007

The Bank's Letter of Credit ("LOC") product has supported community development by reducing transaction costs and enhancing the marketability of various bond issuances. As of October 31, 2007, the Bank had a total of 78 outstanding letters of credit amounting to \$425,172,014 consisting of the following LOC types:

- 6 CICA Letters of Credit totaling \$9,836,960
- 62 Municipal Letters of Credit ("MULOC") totaling \$372,385,000
- 8 Regular Letters of Credit totaling \$19,341,095
- 2 Direct Pay Letters of Credit totaling \$ 23,608,958

These letters of credit were issued on behalf of members to support credit needs, as well as housing and economic development activities.

During 2007, the Bank continued to see interest in the MULOC program. The Bank issued 169 MULOC to 14 customers totaling \$768,100,000. MULOC enable members to more easily attract municipal deposit as additional forms of liquidity, which helps them better serve their communities.

During 2007, the New York Bank issued one standby letter of credit and amended one CICA letter of credit. The Bank issued the standby letter of credit to assist a member with financing for an adult care residential building and amended the CICA letter of credit to assist with the financing of a nursing home in a low-income tract. Details are provided below:

- At the request of The Canandaigua National Bank and Trust Company, a nationally chartered commercial bank in Canandaigua, New York, the Bank issued a confirming standby LOC, in the amount of \$2,893,841.10 over a term of one year from July 6, 2007 to July 7, 2008, to provide credit enhancement for the Geneva Housing Authority Variable Rate Demand Housing Revenue Bonds. The bonds were issued to refinance the acquisition, construction and equipping cost of an adult care residential building in Canandaigua, New York.
- At the request of Manufacturers and Traders Trust Company, a state chartered commercial bank in Buffalo, New York, the Bank amended a confirming standby LOC, in the amount of \$265,000 over a term of six months from October 1, 2007 to April 1, 2008, to provide credit enhancement for the Castle Rest Residential Health Care Facility FHA-Insured Mortgage Revenue Bonds. The bonds were issued to finance the construction and equipping cost of a nursing home in a low-income tract of Syracuse, New York.

The Bank continues to offer housing programs, credit enhancement and investment products, which will support our members as they invest in their communities.

EXHIBIT A
DISTRICT II MARKET PROFILE

DISTRICT II MARKET PROFILE

DISTRICT-WIDE ECONOMIC PROFILE

Unemployment

National, New York State & New York City:

As of October 2007, New York State's unemployment rate, after seasonal adjustment, was 4.6 percent. The national rate was 4.7 percent and the rate for New York City was 5.3 percent. The rate for New York State outside of New York City was 4.4 percent. ^{1, 2, 3}

New Jersey:

The year over year unemployment rate for NJ has decreased by 0.2 percent from 4.3 percent in September of 2007 to 4.1 percent in October 2007. ²

District II Employment Rates:

The table below shows the District employment versus District unemployment rates as of October 2007 (Numbers in thousands) ²

District	Employed	Unemployed	Unemployment Rate
New York State	9,471	441	4.4%
New York City	3,830	201	5.3%
New Jersey	4,501	186	4.1%
Puerto Rico	1,372	157	11.4%

Job data

National and New York State:

The National year-over-year unemployment rate has risen from October 2006 from 4.4 percent to 4.7 in October 2007. Over the month of October, NYS has seen an increase in the private sector job count by 9,900, or 0.1 percent (seasonally adjusted). Nationally, private sector jobs also increased by 0.1 percent during the same period.³

New Jersey:

Job growth in New Jersey has been strong during the second half of the year. Since October 2006, an average of 2,600 jobs per month have aided in the growth of the economy. The professional and business services and educational and health services have accounted for the largest employment gains over the year adding 2,400 and 1,000 jobs respectively. The unemployment rate fell in October 2007 to 4.1 percent down from 4.3 percent in September 2007. ⁴

Immigration

According to The Joint Center for Housing Studies, legal and illegal immigration is on the rise and has consequently “prevented outright population loses,” in a number of states, two of which are located within the HLBNY district of New York and New Jersey. Immigrants have comprised 40 percent of household formation in two of four states within our district, thus creating a strong demand for housing. According to the Federation for American Immigration Reform (FAIR), studies show as the foreign born population increases, crowded housing conditions also increase thereby creating increased demand for housing. Currently, approximately 20 percent of homebuyers and 25 percent of renters are foreign born. At the national level, the US Census Bureau projects the US population to reach 420 million by 2050 due to mass immigration. ^{9 and 11}

New York

The Federation for American Immigration Reform (FAIR) estimates, the population of New York, the third largest state in the country, has seen a population increase of 1.6 percent from 2000-2006, bringing the total population to approximately 19.3 million. During this same period, the foreign-born population increased by 16.9 percent. The influx of immigrants continues to strain available resources and presents growing needs for new highways, schools and affordable housing. ^{5; 7}

New Jersey

New Jersey’s population is growing faster than any other state in the Northeast due to immigration. According to FAIR, New Jersey’s population has increased by 3.4 percent between 2000 and 2006. Between 1990 and 2000 New Jersey’s population had increased by 9.1 percent bringing the population to approximately 8.7 million in 2000. Crowded housing, typically associated with an increasing foreign – born population remains a top issue. In 2005, 85, 000 households were defined as severely crowded by housing authorities. ⁸

Puerto Rico

The 2006 Census Bureau population estimate for Puerto Rico was approximately 3.9 million, an increase of 15,966 people representing a 1.0 percent increase since the 2005 estimate. ⁶

Year over Year Population in HLBNY District

The table below shows the change in year over year population in our District from July, 2005 to July, 2006 for New York, New Jersey and Puerto: ^{6 and 8}

District	State Population (July 2006 est.)	State Population (July 2005 est.)	Population Increase- Decrease (2005 – 2006)	Foreign-Born Population	Percent Foreign-Born
New York	19,306,183	19,315,721	-9,538	4,500,000	23%
New Jersey	8,724,560	8,703,150	21,410	1,800,000	21%
Puerto Rico	3,927,776	3,911,810	15,966	N/A	N/A

DISTRICT-WIDE HOUSING PROFILE

Housing Trends

According to the Joint Center for Housing Studies of Harvard University, the national homeownership rate and the net growth of homeowners has declined for the second year.

Facts:

- High home costs began to outpace the benefits of low-interest loans as early as 2003, thus wearing down affordability. Most all markets felt the pressure by June 2006.
- Home sales sunk by 18 percent from 2005 while sales on existing homes dropped by 8 percent. While the demand for new housing dropped off, sellers of existing properties held off for higher sale prices creating an excessive supply.
- At the regional level, metropolitan areas saw an increase in both new housing and existing home sales, in contrast to the depressed national picture.
- Affordability remains a long- term housing challenge for the majority of American households. Even with the lowest housing prices, interest rate hikes create an affordability challenge. Uncertainty about the availability of credit remains a question.

Lack of Affordable Housing in New York and New Jersey

According to the Joint Center for Housing Studies, more than 50 percent of low-income households, in four key states, New Jersey, New York, California and Hawaii, faced severe housing cost burdens in 2001. In the following 4 years, the problem escalated, becoming an issue in 9 other states.

New York City alone has seen a population growth of six percent between 1990 and 2000, and a growth by 1.6 percent between 2000 and 2006. In 2005, three hundred and three thousand households were defined as “severely” crowded in New York State. Additionally, open land space is quickly disappearing, dissolving the opportunity to create housing for low- income residents. ⁵

New Jersey is the third most expensive state to rent an apartment behind California and Washington DC. New Jersey also struggles with crowding issues. Over 85,000 New Jersey households were considered over crowded by housing authorities in 2005. ⁸

Least Affordable States

According to the National Low Income Housing Coalition, the 2006 wage for a two-bedroom (benchmark statistic used as most common rental size) rental unit is \$16.31. With minimum wage set at \$5.15 since 1997, it is plain that working 40 hours a week, 52 weeks a year is no longer sufficient to maintain any household in the United States.

New York and New Jersey continue to be two of the ten least affordable states in the country. In 2006, Westchester County, New York, ranked 5th out of ten as one of the least affordable metropolitan areas in the country and Nassau-Suffolk , New York counties ranked 8th out of ten. ¹⁴

The tables below lists the housing wages and the year over year percent change for the two-bedroom housing wage:

The Low Income Housing Coalition, states that the housing wage represents the hourly wage that a household could expect to pay for rent and utilities in the current market, that a household must earn working (40 hours a week, 52 weeks a year) in order to afford the Fair Market Rent for a two bedroom unit at 30% of income. ¹⁰

Least Affordable States	Housing Wages For 2-Bedroom (2005)	Housing Wages For 2-Bedroom (2006)	Percent Increase/Decrease - 2-bedroom Housing Wage
New Jersey	\$20.87	\$21.21	1.60%
New York	\$19.73	\$20.70	4.92%

Least Affordable Metropolitan Areas in District	Housing Wages For 2-Bedroom (2005)	Housing Wages For 2-Bedroom (2006)	Percent Increase/Decrease 2-bedroom Housing Wage
Westchester County, NY Statutory Exception Area	\$25.31	\$26.83	6.01%

SOURCES OF INFORMATION

¹New York State Department of Labor, Division of Research and Statistics: “Employed, Unemployed, and Rate of Unemployment by Place of Residence for New York State and Major Labor Areas, (October, 2007)

<http://labor.state.ny.us/workforceindustrydata/PressReleases/prtbur.txt>

²U.S. Department of Labor; Bureau of Labor Statistics: Table 3. “Civilian labor force and unemployment by state and selected areas, seasonally adjusted October, 2007”

<http://www.bls.gov/news.release/laus.t03.htm>

³New York State Department of Labor: “New York’s Private Sector Job Growth Matches U.S. in October (November, 2007)

<http://www.labor.state.ny.us/workforceindustrydata/PressReleases/pruistat.htm>

⁴ State of New Jersey Department of Labor and Workforce Development: “New Jersey October Employment Increased and September Estimate Revised Upward: Unemployment Rate Declined to 4.1 Percent in October

<http://lwd.dol.state.nj.us/labor/lwdhome/press/2007/1115unemployment.html>

⁵Federation for American Immigration Reform (FAIR); “Immigration Impact – New York” www.fairus.org/site/PageServer?pagename=research_researchbaff

⁶U.S. Census Bureau: “Annual Estimates of Population for the United States and States and for Puerto Rico: April 1 2000 to July 1, 2006”

<http://www.census.gov/popest/states/NST-ann-est.html>

⁷Migration Policy Initiative (MPI); Migration Information Source: “Fact Sheet on the Foreign Born: New York” <http://www.migrationinformation.org/datahub/acscensus.cfm#>

⁸Federation for American Immigration Reform (FAIR); “Immigration Impact – New Jersey” www.fairus.org/site/PageServer?pagename=research_researchf7c0

⁹Federation for American Immigration Reform (FAIR); “Immigration Issues Center” <http://www.fairus.org/site/PageServer>

¹⁰National Low-Income Housing Coalition; Out of Reach 2006: “State Ranks Based on Two Bedroom Housing Wage” New York, New Jersey
<http://www.nlihc.org/oor/oor2005/rankmap.pdf>

¹¹Joint Center for Housing Studies of Harvard University: “The State of the Nations Housing 2007.”
<http://www.jchs.harvard.edu/>

EXHIBIT B
EXAMPLES OF UDA & RDA PROJECTS

2007 URBAN AND RURAL DEVELOPMENT ADVANCES

From January to December 15, 2007 the Bank committed a total of \$148,582,685 in UDA projects.

Project: **Family Business Loan Program -
The Village of Sleepy Hollow**
Customer Institution: Sleepy Hollow National Bank
UDA Commitment: \$5,500,000
Term: As requested by member

Project Description: The Family Business Loan Program will be a joint effort between the Bank, the Small Business Administration 504 Program and SBA 7A programs, Sleepy Hollow National Bank, and Community Initiatives Development Corporation to support family- owned and small businesses. The program will encourage participation from small family-owned businesses wishing to locate to or expand within the Village of Sleepy Hollow.

Project: **Disaster Relief Funding**
Customer Institution: Sawyer Savings Bank
UDA Commitment: \$5,000,000
Term: As requested by member

Project Description: Sawyer Savings Bank will use funds for disaster relief funding to finance lending activities in Ulster County, a FEMA designated county affected by flooding in 2006. Sawyer Savings Bank intends to provide funding to individuals and/or small businesses to assist the county and its residents with economic progress following the flood in 2006. Funding may include the origination or re-financing of residential mortgages; commercial loans; small business loans; and gap financing for households and businesses awaiting insurance pay-outs.

Project: **Brookhaven Empire Zone**
Customer Institution: Suffolk Federal Credit Union
UDA Commitment: \$15,000,000
Term: As requested by member

Project Description: Suffolk Federal Credit Union will use funds to provide discounted financing to local businesses. The goal of the Brookhaven Empire Zone program is to increase employment and bring new businesses into local communities. The funding will be used in conjunction with the Empire Zone program, which was created in 1994 to stimulate economic growth through a variety of State tax incentives designed to attract new businesses to New York State and to enable existing

businesses to expand and create new jobs. Through these special incentives, businesses are encouraged to hire workers who reside in the neighboring depressed areas such as the hamlet of North Bellport, New York. The town of Brookhaven Empire Zone encompasses 1,280 acres in total with over 500 acres of prime industrial sites for development.

Project: **UDA Mixed- Use Property Program**
Customer Institution: The Dime Savings Bank of Williamsburg
UDA Commitment: \$25,000,000
Term: As requested by member

Project Description: The Dime Savings Bank of Williamsburg will use funds for the financing of mixed-use properties. The UDA funds will be used for various uses including the acquisition, construction and rehabilitation of these properties. All loans will be eligible based on the applicable UDA eligibility requirements.

Project: **Commercial and Small Business Administration Loan Program**
Customer Institution: Abacus Federal Savings Bank
UDA Commitment: \$15,000,000
Term: As requested by member

Project Description: Abacus Federal Savings Bank will use to fund for their Commercial and Small Business Administration (SBA) loan program. The majority of loans will be made to support small business owners in urban communities throughout New York, New Jersey and Philadelphia. Abacus is an approved lender under the SBA Express Program and anticipates that it will begin originating loans during the second half of 2007.

Project: **Landi Pools & Spas**
Customer Institution: Century Savings Bank
UDA Commitment: \$430,000
Term: As requested by member

Project Description: Century Savings Bank will use the funds to refinance the mortgage debt on a commercial building utilized by Landi Pools and Spas. Vineland has been identified by the New Jersey Urban Enterprise Zone Authority as an economically distressed city.

Project: Swanson Hardware Supply, Inc.
Customer Institution: Century Savings Bank
UDA Commitment: \$525,000
Term: As requested by member

Project Description: Century Savings Bank will use the funds to finance the construction of a 2,000 square foot addition to an existing 15,838 square foot, one story commercial building which houses Swanson Hardware Supply, Inc. Building improvements will also include a new facade and reconfiguration of existing floor space to improve building aesthetics. Vineland has been identified by the New Jersey Urban Enterprise Zone Authority as economically distressed city.

Project: UDA Mixed- Use/Commercial Loan Program
Customer Institution: Flushing Savings Bank
UDA Commitment: \$81,000,000
Term: As requested by member

Project Description: Flushing Savings Bank will use funds for the financing of mixed-use properties and commercial loans. UDA funds may be used for various uses: the acquisition, construction or rehabilitation of commercial real estate or to make various small business loans.

Project: UDA Mixed- Use/Commercial Loan Program III
Customer Institution: Flushing Savings Bank
UDA Commitment: \$10,000,000
Term: As requested by member

Project Description: Flushing Savings Bank will use funds for the financing of mixed-use properties and commercial loans. UDA funds may be used for various uses: the acquisition, construction or rehabilitation of real estate or to make various small business loans.

Project: Inspiration Designs, Inc.
Customer Institution: M&T Bank
UDA Commitment: \$700,000
Term: As requested by member

Project Description: M &T Bank will use funds to refinance a commercial property located at 3122 Monroe Avenue, Rochester, NY 14618. The refinancing of this building will enable this small business to retain and/or create employment opportunities for 3 full time positions and 7 part time positions in the larger Rochester area, all of which will pay annual salaries below 100% of the HUD AMI for Monroe County.

Project: **Cooks' World**
Customer Institution: M&T Bank
UDA Commitment: \$280,000
Term: As requested by member

Project Description: M & T Bank will use the funds to finance the purchase of commercial real estate located at 2179 Monroe Avenue, Rochester, NY 14618. The purchase of this property will allow this small business to retain employment opportunities for 2 full-time positions and 6 part-time positions in the Rochester area, all of which pay annual salaries below 100% of the AMI for Monroe County.

Project: **Joy Community Church**
Customer Institution: M& T Bank
UDA Commitment: \$250,000
Term: As requested by member

Project Description: M & T Bank will use the funds to finance renovations and expansion of the main church facility of Joy Community Church located at 890 Goodman Street North, Rochester, NY and the church's non-profit arm, the Gerhardt Neighborhood Outreach Center (GNOC), located at 906-918 North Goodman. The two adjacent properties, located at 577 Bay Street and 143 Ackerman Street respectively, will be used for parking lot expansion and a potential playground. The church feels that the property acquisition is crucial in this phase of development as the added parking space and possible playground facilities have potential to expand their membership base and create an attractive environment for community members. Currently, most of these members are from the suburbs; however, 30% live within an immediate two-mile radius of the Church, which is located in a low-income census tract.

Project: **Magyar Bank**
Customer Institution: Sharon Baptist Church
UDA Commitment: \$700,000
Term: As requested by member

Project Description: Magyar Savings Bank will use the funds to finance the renovation of a building to be rented to the New Brunswick Public School System. The project will provide the school system with pre-school (ages 2-5) classroom space. The New Brunswick school system has been designated as an Abbot District by the state of New Jersey. Abbott Districts are school districts covered by a New Jersey Supreme Court ruling that found that the education provided to urban school children was inadequate and unconstitutional. The renovation of this building has the potential to create approximately 7-10 teaching and teaching aide jobs.

Project: **Construction of New Branch**
Customer Institution: Manasquan Savings Bank
UDA Commitment: \$2,500,000
Term: As requested by member

Project Description: Manasquan Savings Bank will use the funds to finance the development of a two acre lot which will be used for a new branch location in Point Pleasant, New Jersey. Additionally, a Quick Chek retail store will be located on the property under a ground lease with Manasquan Savings Bank.

Project: **Construction of Corporate Headquarters**
Customer Institution: Manasquan Savings Bank
UDA Commitment: \$7,500,000
Term: As requested by member

Project Description: Manasquan Savings Bank will use funds to finance the construction of their new headquarters in Wall Township, New Jersey. The new building will house all of the bank's back office operational personnel. The building will also include a new branch location. Manasquan Savings Bank has confirmed that 37 employees will work at the new headquarters. Of that total, 29 employees (78%) will earn less than 100% of the HUD median income for Monmouth County.

Project: **Women Helping Women**
Customer Institution: Metuchen Savings Bank
UDA Commitment: \$400,000
Term: As requested by member

Project Description: Metuchen Savings Bank will use funds to finance the expansion and improvements of an existing building, located at 224 Main Street in Metuchen, which is currently owned and occupied by Women Helping Women, a non-profit organization. The organization utilizes the 1,356 square foot, wood frame building as professional office space. It is proposed that a two-story addition will be added to the original structure creating 1,756 square feet of additional office space. Upon completion of the improvements, the building area will contain a total of 3,112 square feet of office space on two floors giving the non-profit six new offices and two new conference rooms of expanded operating space.

Rural Development Advance (RDA) Commitments in 2007:

Form January to December 15, the Bank committed a total of \$ 250, 000 in RDA Projects.

Project: M&T Bank
Customer Institution: Weeks Holdings, LLC
RDA Commitment: \$250,000
Term: As requested by member

Project Description: M &T Bank will use the funds to finance the purchase of commercial real estate located at 123 N. Main Street, Warsaw, New York 14569. The property, Weeks Funeral Home, was established in 1919. It was sold to a Canadian Company in 1990 and the sold again in 2000 and then to Alderwoods Inc. in 2006. The Corporation is now selling to current manager, Brian Kaczmarek. Mr. Kaczmarek, a community-minded Warsaw resident, has been a mortician for 14 years and employed by Weeks for 3 years. As manager, Brian has provided funeral services for 20 community members FY 2007 to date, which is a marked increase from year 2006. The purchase of this property will provide employment for one community resident and funeral services to the entire community, where only one other funeral home exists. Weeks Funeral Home has an established and strong presence, which offers the comforts of newly decorated and large rooms; appealing grounds and ample parking space.