

News Release



*Leading Tennessee Home
...for 35 years!*

404 James Robertson Parkway, Suite 1200
Nashville, TN 37243-0900 www.thda.org

For Immediate Release: February 17, 2009

Contact: Patricia M. Smith 615-815-2185
Director of Public Affairs, THDA

New Multi-Million Dollar Housing Rehabilitation Loan Program for Middle Tennessee Homeowners Announced by Tennessee Housing Development Agency

NASHVILLE, TN – A new affordable-cost loan program to help Middle Tennesseans make home repairs was announced today by the Tennessee Housing Development Agency (THDA). The Preserve Loan Program joins a long list of housing programs and services that THDA has offered to Tennesseans since the agency was established 35 years ago.

Fifth Third Bank is the first bank to partner with THDA to offer the new program. Fifth Third Bank has committed a fully-funded \$3.25 million line of credit to initiate the program. The Preserve Loan Program offers a four percent (4%) interest rate on home repair loans to homeowners of low and moderate income living in counties in Middle Tennessee. Middle Tennessee is the first area to benefit from this pilot program.

“This new loan program will be good news for Middle Tennessee homeowners who need to fix a roof, replace a heating system, or undertake other major household repairs,” said Ted R. Fellman, executive director of THDA. “In a difficult economic time for so many low and moderate income homeowners, THDA – with the support of its financial partners – is stepping up to offer help.”

“In today’s challenging economy we have experienced declining home values and sales, and rising unemployment,” said Don Abel, Fifth Third Bank Senior Commercial Lender. “Repairing a home can preserve or increase home value, which is important, as a home for many people is their greatest wealth asset. Fifth Third Bank is proud to extend credit to THDA enabling The Preserve Loan Program to be offered in the Middle Tennessee community. Together we are working to improve lives in Middle Tennessee. We hope that other financial institutions will support The Preserve Loan Program as THDA works to offer the programs across Tennessee.”

Originating agents for Preserve loans have been identified. Applicants are invited to call one of the following:

Affordable Housing Resources: Barbara Holland 615-251-0025

CHP/Williamson County: Steve Murray 615-790-5556

Buffalo Valley: Bill Basinger 931-796-4256

Creative Compassion: Sarah Derrick 931-456-6654

Woodbine Community Organization: Cathy Dodd 615-833-9580

– more –

The Preserve Loan Program is part of the innovative Housing Trust Fund (HTF) established by THDA in 2006 with a \$1 million appropriation from the Tennessee General Assembly. HTF is an umbrella for many housing assistance programs. Programs include funds for ramps to increase accessibility, grants to make emergency repairs to homes belonging to elderly citizens of very low income, transitional housing for persons leaving institutions, and monies to create a quiet place of passing for terminally-ill homeless veterans. Since 2006, more than \$22 million has been invested in the HTF program, with \$4.35 million coming from the state and \$18 million from THDA.

Economic Impact of THDA Activity

THDA is best known for its first-time homebuyer program of below market mortgages. Over 100,000 affordable, fixed-rate mortgages have been made through local lenders in Tennessee since 1974. The total contribution of the THDA-related activities to Tennessee's economy was estimated at \$1.133 billion in 2007. Data for 2008 will be posted at ww.thda.org in February.


"During its 35-year history, THDA has always been responsive to market conditions and to the housing needs of low and moderate income Tennesseans," said Fellman. "In this time of economic anxiety, particularly in the housing and credit markets, the Preserve Loan Program is the latest example of the Tennessee Housing Development Agency's solid record of stepping forward with innovative programs."

About THDA

THDA is a political subdivision of the State of Tennessee. THDA is the state's housing finance agency, responsible for selling tax exempt mortgage revenue bonds to offer affordable mortgage funds to homebuyers of low and moderate incomes through local lenders, and to administer various housing programs targeted to households of very low-, low- and moderate-incomes. More information about THDA is available on-line at www.thda.org.

About Fifth Third Bancorp

Fifth Third Bancorp is a diversified financial services company headquartered in Cincinnati, Ohio. The Company has \$120 billion in assets, operates 16 affiliates with 1,307 full-service Banking Centers, including 92 Bank Mart(R) locations open seven days a week inside select grocery stores and 2,341 ATMs in Ohio, Kentucky, Indiana, Michigan, Illinois, Florida, Tennessee, West Virginia, Pennsylvania, Missouri, Georgia and North Carolina. Fifth Third operates five main businesses: Commercial Banking, Branch Banking, Consumer Lending, Investment Advisors and Fifth Third Processing Solutions. Fifth Third is among the largest money managers in the Midwest and, as of December 31, 2008, has \$179 billion in assets under care, of which it managed \$25 billion for individuals, corporations and not-for-profit organizations. Investor information and press releases can be viewed at www.53.com. Fifth Third's common stock is traded on the NASDAQ(R) National Global Select Market under the symbol "FITB." Member FDIC.

 Equal Housing Lender.

#