

*your*  
**COMMERCIAL  
SPECIALIST**



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Bobbi has been in banking for 14 years, eight at FHLBank. She is a graduate of Washburn University and Colorado's Graduate School of Banking. Contact her today.

Find out more about Bobbi and our funding experts at

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INTELLIGENCE.**

## THE MOUNTAINS ARE CALLING

### FSA advance lifts ski resort to new heights

Picture this ... a scenic, snow-topped mountain out your back door. This is the view tourists of **Powderhorn Mountain Resort** in Mesa, Colo., are privy to each morning. However, a major project is underway this summer to make the resort an even better place to stay. The installation of a Poma high-speed quad chairlift will cut ride time in half while offering comfortable seats and footrests for resort patrons throughout the year.

This project did not come to fruition without Home Loan State Bank of Grand Junction, a local community bank.

With a 10-month construction period planned and his customer requesting long term funding, Craig Springer, bank president, turned his focus to securing the business. After speaking to FHLBank Topeka's Lending Desk, Springer knew that he had a solid option to accommodate his customer's request.

The Lending Desk recommended a forward settling advance (FSA) commitment, allowing him to lock in a low rate, protect against interest rate risk without adding immediate liquidity and provide a long term fixed rate to his customer.

"This project couldn't have happened without FHLBank Topeka," Springer said. "The FSA was another tool in our toolbox of funding solutions."

Springer's customer, Andy Daly, co-owner of Powder-

horn, gives a lot of credit for the capital investment plan to local Grand Junction companies that support his small business. Leitner-Poma, the manufacturer of the quad lift, headquartered in Grand Junction, along with Home Loan State Bank, recognized the value of supporting local recreation.

This allowed Daly to take Powderhorn to a new level for the summer and winter tourist seasons.

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## How does the FSA Commitment work?

### BUILD YOUR ADVANCE

Up to 30 years maturity upon funding and a commitment period of up to 2 years, matching up to your project, whether this be for a ski lift, renovation or for new construction.

### PRICE YOUR ADVANCE

Lending Officers will work with the street to find the best rate for your advance.

### NO STOCK OR COLLATERAL NEEDED UNTIL FUNDING

Until your advance reaches the end of the commitment period, you are not required to hold the stock or collateral to support it.

### AUTOMATIC FUNDING

Your advance automatically funds at the end of the commitment period.

### LINE OF CREDIT

Draws could be funded during the construction period by utilizing an FHLBank Topeka Line of Credit.

### EXAMPLE AT WORK

The example in the table below is based on a \$2.5-million construction phase over a 2-year period to permanent commercial loan at 5.75%.

## Forward Settling Advance Rate Comparison

	Balance	Fixed Rate	Spread	Carry Cost 2-Years	Dividend Effect*
<b>Customer Loan</b>	\$2,500,000	5.75%		0	
<b>FSA Amortizing 15/2 year</b>	\$2,500,000	3.147%	2.603%	0	2.877%
<b>Amortizing Advance 17-year</b>	\$2,500,000	3.373%	2.377%	\$166,340	3.103%

\*FHLBank Topeka's above-market dividends earned on Class B stock can lower your effective advance rate by up to 27 bps (based on 4.50% stock requirement using Class B stock at a 6% dividend). Indications as of May 11, 2015.

Contact Bobbi today for solutions that work for you.

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