I am writing this comment as President of Success Bank, an Iowa state-chartered community bank, who is a member of Federal Home Loan Bank (FHLB). As a small rural community bank, located in a county with a population of approximately 9,000 people, we depend on the FHLB for important liquidity to finance our agricultural and commercial business customers in addition to our many consumer mortgage customers. Our local, on-Balance Sheet consumer mortgage loans total over 19% of bank assets (over $49mm) and many of these rural consumer housing loans do not qualify for secondary market lending (which we also offer to customers that do qualify). Our total local lending portfolio totals over 85% of bank assets.

Our membership in FHLB was authorized by Congress as a liquidity source for the purpose of serving communities that do not have access to large market funding. Since Success Bank became a member of FHLB in 2005, we have been able to grow bank assets from $70mm to over $250mm in 2024. During this time, our county has advanced from the federal classification of "low-to-moderate income" to "medium income" and the long-missing community vitality is now evident by both private and public real estate investment throughout our small community.

Please do not try to change the FHLB system, mission, and community bank access that Congress created to allow our locally owned bank to serve the community in which we live. This liquidity source, created by Congress, is a critical source of life for Success Bank and our small community. Only Congress has the authority to alter the system they so carefully created.

Sincerely,

Brad Woolard, President

Success Bank