



July 10, 2024

Federal Housing Finance Agency
400 7th Street SW
Washington, DC 20219

Re: RFI FHLBank Mission (RFI 5/16/2024)

On behalf of Viking Bank, I am writing to you to express my concerns with changes which may occur because of items in the RFI, specifically those dealing with mission change and disrupt the liquidity potential of the FHLB System.

We are a small community bank and rely on the FHLB for both our current use of its liquidity options, as well as having the FHLB as a reliable long-term source of liquidity. Any disruption of either the current or long-term potential for liquidity would greatly harm our ability to lend, as well as potentially lessen our ability to continue as a locally owned community bank.

With the potential harmful changes, we ask that the FHFA consider the following:

- The FHLB was organized with the congressional action and any change in mission or other powers need to be done by that body because they are responsible to the people who elect them, and the people they answer to are the beneficiaries of the services we provide supported by the FHLB's.
- The FHLB banks have performed for nearly a century without a loss, and consequently have become a source of reliance for community banks like ours. Any disruption, or hint of disruption with the FHLB system could severely impact on our ability to continue making home loans and providing community banks with a solid trusted source of liquidity.
- Finally, if it is not breaking do not change it. The FHLB is imbedded in the way community banks fund and work. If FHFA makes changes when something has been proved to work for nearly 100 years, and it breaks not only will it reflect poorly on the FHFA, but more importantly it will damage the most beneficial source of residential funding that has every been invented which is a wide range of locally positioned community lenders.

Sincerely,

Douglas J. Houska, CEO



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