

October 19, 2022

Sandra L. Thompson, Director  
Federal Housing Finance Agency  
400 7<sup>th</sup> Street, SW  
Washington, DC 20024

Re: FHLBank System at 100: Focusing on the Future

Dear Director Thompson,

Thank you for the opportunity to submit comments on the FHLBank's role in providing community-focused financial institutions like ours with reliable and affordable liquidity so that we may serve our members' credit needs. As a member-owned financial institution, our mission is to embrace the cooperative spirit to give flight to our members' financial dreams. If access to FHLB wasn't available, it would result in far less capacity to fund loans for our consumer and business members.

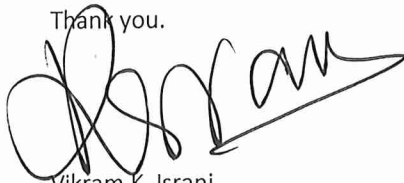
In 2022, deposit growth has been stymied due to historically high inflation rates, while loan growth has remained strong. The access to FHLB of Des Moines has provided affordable liquidity which has allowed us to continue to provide loans to our existing and new members as the cooperative continues to grow.

In 2019, we leveraged FHLB of Des Moines Community Investment Advance (CIA) to refinance a newly constructed 105-unit apartment complex in Fergus Falls, Minnesota. The purpose of the \$9 million loan provides affordable housing in a rural and lower income area of the state. Without the CIA Advance, the resulting rate on the loan would've been higher, thus increasing the debt service and ultimately, the rents in a lower income area of Minnesota. The FHLB contribution on this transaction has had a direct impact on the lives and financial well-being of these residents in rural Minnesota.

For nearly a century, FHLBanks have supported community financial institutions, allowing them to better serve their communities. FHLBanks are not often recognized but are a critical element of the nation's financial infrastructure. Their ability to remain viable in all economic cycles will continue to prove to be an important aspect to our organization's ability to provide credit in the communities in which we operate.

As you consider any changes to the FHLBank system, note any increased risks added to the system will ultimately result in higher funding costs which will trickle down to the consumer. The reliable and affordable liquidity provided by FHLBanks are critical to overall financial well-being of the nation's consumers.

Thank you.



Vikram K. Israni  
Senior Vice President – Chief Financial Officer