

**hdf**

**Housing  
Development  
Fund**

October 26, 2022

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

Dear Director Thompson:

I write in response to the Federal Housing Finance Agency's announcement of a comprehensive review of the Federal Home Loan Banks (the FHLBanks).

I have served as an independent director on the board of the Federal Home Loan Bank of Boston (FHLBank Boston) since 2008. I am President and CEO of the Housing Development Fund, a community development financial institution whose mission is to facilitate the development of affordable rental and homeownership opportunities throughout communities in Connecticut (statewide) and in select counties of New York.

My comments below are focused on housing development, especially the need for programs targeted to sustainable homeownership.

FHLBank programs are familiar to many in our community, especially the Affordable Housing Program (AHP). In addition to funding affordable rental and homeownership units however, a portion of AHP funds are allotted each year to support the Equity Builder Program (EBP). This homeownership assistance program enables FHLBank Boston members to help finance home purchases by lower-income households that earn up to 80 percent of the area median income. EBP grants help buyers with down-payment, closing cost, and home rehabilitation assistance, and homebuyer education and counseling. Together, these two programs have had a real impact:

- Through the AHP, FHLBank Boston members have been awarded more than \$721.9 million in total AHP subsidies and subsidized advances to create or preserve more than 35,340 affordable rental and ownership units throughout New England and beyond.
- 219 FHLBank Boston members have participated in the EBP, deploying more than \$49 million to assist 4,257 homebuyers in purchasing homes since 2019.

The logo for the Housing Development Fund (hdf) consists of the lowercase letters 'hdf' in a white, sans-serif font, set against a solid green rectangular background.

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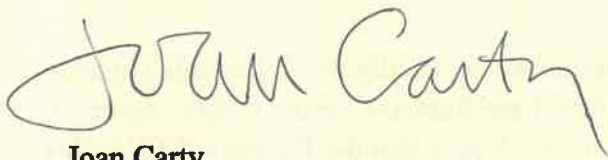
While these statutory programs are of great value and are a key part of our longstanding commitment to affordable housing, the real value of the FHLBanks' regional focus is the ability to respond to local needs, and design products and services tailored to the communities served by their members. FHLBank Boston has created innovative voluntary programs that address job creation and retention, and support for homeowners.

A perfect example is the Housing Our Workforce (HOW) program, which partners with member institutions to provide income-eligible homebuyers with matching grants for down payments. The program is designed to meet the needs of working individuals and families who are often just outside the lines of standard homebuyer assistance programs. Since 2019, FHLBank Boston members have awarded \$5.79 million to help 432 homebuyers purchase homes.

If the FHFA were to truly expand the FHLBank's efforts to increase homeownership, it would allow and encourage the FHLBanks to create additional programs under the voluntary umbrella. The flexibility and adaptability to each region is what makes these programs work best. With guidance and support from the FHFA, together with local design and input, voluntary programs are a proven, effective method to help make sustainable homeownership a reality for many more people. In these particularly challenging times, with increased purchase prices and rising interest rates, programs that close the gap and increase access to the stability of homeownership are exactly what our hardworking individuals and families need.

Thank you for the opportunity to provide a comment on the review.

Sincerely,

A handwritten signature in dark ink that reads 'Joan Carty'. The signature is fluid and cursive, with the first name 'Joan' being larger and more prominent than the last name 'Carty'.

**Joan Carty**

**Board of Directors**

**Federal Home Loan Bank of Boston**

**President and CEO**

**Housing Development Fund**