



October 28, 2022

Sent Via Electronic Delivery: www.fhfa.gov

Federal Housing Finance Agency
Attn: Director Sandra Thompson
400th Street, SW
Washington, D.C. 20024

Re: FHLBank System at 100: Focusing on the Future

To Whom It May Concern:

On behalf of the Oregon Bankers Association (“OBA”) and our membership of state and nationally-chartered banks doing business in Oregon, we appreciate the opportunity to comment on the Federal Housing Finance Agency (“FHFA”) FHLBank System at 100: Focusing on the Future Initiative and on the strong partnership that our member banks have with the Federal Home Loan Bank (“FHLB”) System.

Comments

Banks in Oregon work hard every day to meet the deposit, payment, and credit needs of the communities they serve. They provide essential services in a safe and sound manner consistent with state and federal laws. They understand that economically healthy and vibrant communities are important for individuals and businesses to thrive.

The FHLB has been a strong partner to Oregon banks in serving Oregon’s communities. The FHLB of Des Moines serves 12 commercial banks and two thrifts in Oregon and provides more than \$1.1 billion in advances, \$1.4 billion in mortgage programs, and \$495.4 million in letters of credit. The FHLB has assisted in strengthening Oregon communities through both its Affordable Housing Program and Down Payment Assistance Program.

The Affordable Housing Program has provided Oregon communities with \$35.7 million in grants assisting 5,661 households; and \$9.5 million in down payment assistance has helped 1,698 households purchase a home. This assistance is critical in the State of Oregon given the housing challenges we face due to low supply and lack of affordability.

Perhaps more than anything, Oregon’s banks rely on the FHLB as an important and reliable provider of liquidity. The ability to access advances during times of economic stress or when there are opportunities to increase lending is critical to banks. While Oregon-based banks depend on the FHLB-Des Moines as part of our financial services ecosystem, the entire FHLB System is an integral part of our nation’s financial infrastructure.

One concern I would raise is about the potential for non-regulated entities to have access to the FHLB System. We oppose expansion of FHLB membership to non-prudentially regulated institutions. The introduction of non-

regulated institutions could put the FHLBank System capital at risk, hindering the ability of the system to serve its member banks.

Conclusion

Thank you again for the opportunity to provide feedback on the strong partnership that banks doing business in Oregon have with the FHLB System and, in particular, FHLB-Des Moines. As you consider any changes to the FHLB System, please be mindful that Oregon banks, and banks across the country, truly rely on their FHLB for liquidity planning and other important products and services that benefit the communities we serve.

Congratulations to the entire FHLB System on 90 years of service and engagement with the banking industry, both here in Oregon and across the nation. We look forward to continuing to work closely with the FHLB-Des Moines serving Oregon's communities. Their partnership is instrumental.

Should you have any questions, feel free to contact me.

Very best regards,

A handwritten signature in cursive script that reads "Linda W. Navarro".

Linda W. Navarro
President & CEO
Oregon Bankers Association & Community Banks of Oregon