



FIRST FEDERAL BANK

October 31, 2022

The Honorable Sandra Thompson
Director
Federal Housing Finance Agency
Constitution Center
400 7th Street, SW
Washington, D.C. 20219

RE: FHFA Review of the Federal Home Loan Bank System

Dear Madam or Sir:

First Federal Bank began 60 years ago with an opportunity to support a small town's savings and loan needs. Today, as a \$3.5 billion financial institution, we proudly serve more than 70,000 customers from 25 banking branches, lending offices and SBA locations throughout the Southeast. Under regulation by the OCC, our community-based mutual bank remains dedicated to that founding focus to assist our neighbors and local communities through products, resources and reinvestment.

Exceeding the needs of our customers requires a plethora of resources, agencies and partners. FHFA's commitment to ensuring the regulated entities consistently operate in the best interest of the consumer's they serve builds the strong foundation to sustain the industry no matter the economic climate. We believe these comprehensive reviews maintain the quality and availability we've come to expect from these entities and appreciate the resources put toward ensuring their strong futures.

While our retail branch customers enjoy a community banking atmosphere, our ever-growing SBA and Specialty Banking divisions provide clients with the large-scale services their business requires. Additionally, market swings and our ALM initiatives make FHLB's avenue for liquidity sources a vital role to help us consistently meet those needs. Without these options, our ability to successfully navigate these waters would be significantly limited.

The funding desk's customer service is consistently knowledgeable and eagerly helpful with a myriad of topics. Current rates and positions help make selections simple, and funds can be requested with ease and received timely through the online system. Even through the pressures of funding deadlines and changing directions, we've received nothing but top notch service from the FHLB Atlanta team.

First Federal Bank currently holds \$2.5 billion of our securities through FHLB's Safekeeping Portfolio. The custodial service manages this substantial inventory and provides detailed reporting, timely settlements and reliable interest disbursements. The ability to pledge a portion of these securities as additional collateral for funding brings substantial relief when the residential lending industry struggles and loan collateral is limited.



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The Affordable Housing Program provided by FHLB has been a valuable asset to our borrowers as their home ownership dreams becomes reality. To date our bank has facilitated \$3 million for more than 500 funded loans because of this vital program. We've seen firsthand the impact of this assistance and are proud to offer it to our borrowers on behalf of FHLB.

The founding principles of FHLB, as established by Congress in 1932, were to provide these reliable resources to its member institutions in an effort to support lending and community investment in the aftermath of a devastating era. Member stock in this program continues to drive the success of those intentions today. First Federal Bank invests a significant amount of capital, currently surpassing \$10 million. The strength and quality of its members are a fundamental piece of those principles, and a lax in membership qualification changes could risk the viability of these resources for financial institutions and the communities they serve.

While each of these individual elements provided by FHLB fulfill needs throughout our institution, it's truly the synergy that brings the ultimate value. No other entity provides the extensive opportunities and support under one umbrella, understanding our needs to provide well-suited services for our success. Our business is stronger because of our partnership.

Sincerely,

John Medina
President, CEO