



FROM THE DESK OF PRESIDENT & CEO
ALLAN M. PRINDLE

October 25, 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:

I. Introduction

Please allow me to present comments that I hope are helpful to the FHFA review of the FHLB system. As context, I am President/CEO of Power Financial Credit Union (PFCU), a credit union about \$1 billion in assets primarily serving the South Florida counties of Broward, Miami-Dade and Palm Beach. We are proud of our over 70 years of providing financial services to our footprint utilizing the non-profit cooperative business model that credit unions excel at. We are state chartered, federally insured so we are dually regulated by both Florida Office of Financial Regulation and National Credit Union Administration.

Our loan portfolio is about 70% residential real estate loans so we are keenly aware of the importance that FHFA and FHLB play in the prudent management of our over 33,000 member strong financial cooperative. On behalf of myself, our Board of Directors, and nearly 150 employees, thank you to the FHFA for the leadership and oversight to ensure we remain capable of relying on the FHLB as a reliable funding source and robust source of options for interest rate risk management for institutions like ours. In addition, we appreciate this opportunity to provide feedback.

II. Key Points to Convey From the Perspective of PFCU

- As briefly mentioned above, we are a member of the FHLB system in order to have access to liquidity in all economic cycles and mitigate interest rate risk throughout a myriad of yield curves. This is particularly important with our business model of being exclusively a portfolio lender. We believe portfolio lending permits us to fulfill more of our communities' mortgaging needs by enabling us flexibility to deal with and tailor a loan on an individual basis and addressing specific circumstances. In addition, it has afforded us the opportunity to remain

Welcome to the family.

2020 N.W. 150th Avenue, Pembroke Pines, Florida 33028
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a stable, trusted, mortgage lender for our members for decades despite the vagaries of economic roller coasters, interest rate swings or precipitous fluctuations in property values. We profess in our marketing that we are here for our members, both in good times, and bad. Our partnership with FHLB has been instrumental in enabling us to deliver on that promise.

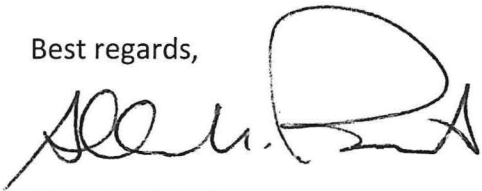
- Our credit union is proud to often assist a member(s) buy their first home in a South Florida market that affordable housing is become an increasingly challenging issue. We believe this is part of our mission and, in fact, have put our money where our mouth is by investing in the Community Development Fund, an institutional investment fund that focuses on affordable housing investments in our market. We are the only credit union to do so. The FHLB system has enabled us to thrive in achieving our mission by providing the liquidity and interest rate risk optionality necessary to do so.

- Our current investment of capital in the FHLB system stands at \$1,590,300. We are understandably concerned if the FHFA should make significant changes to the membership criteria and put our members' investment of that capital at risk. In addition, our current amount of mortgage collateral pledged to permit our borrowing flexibility with FHLB is \$243,702,770. The fiduciary responsibility to our PFCU members by myself and our Board makes it incumbent upon us to vociferously stress our opposition should FHFA consider allowing system access to less regulated entities, or those without collateral to back their borrowing.

III. Closing

Thank you again for the opportunity to comment. PFCU highly values the relationship we have with FHLB and it is critically important in our success in meeting our members' real estate financing needs and, in turn, helping the communities we serve to flourish. Preserving that successful system by maintaining membership limited to entities that are highly regulated and can provide collateral is mission critical for PFCU.

Best regards,

A handwritten signature in black ink, appearing to read 'Allan M. Prindle', written over a large, stylized, handwritten letter 'D'.

Allan M. Prindle
President/CEO