

Sandra L. Thompson, FHFA Director
Federal Housing Finance Agency
400 7th Street SW
Washington, D.C. 20024

Re: FHLBank System at 100: Focusing on the Future

Dear Ms. Thompson:

I am writing in support of the FHLB Des Moines and the other 10 FHLBanks.

My name is Brad Woolard, and I am the President of Success Bank located in Bloomfield, Iowa. I also serve on our bank's Board of Directors. Our institution provides lending across all of our community including surrounding communities with a focus on agriculture. Success Bank currently has an asset size of \$250 million. We have 3 offices and 32 total employees, and we have been a FHLB Des Moines member since 2005. We currently have a loan-to-deposit ratio of 95% which means we rely completely on our membership access to the FHLB Des Moines for wholesale funding as our liquidity source for primary and contingent liquidity when our rural local market communities cannot provide the deposit levels required to fund needed lending. Without our membership access to the FHLBank System, we have no other option but to reduce our loan-to-deposit ratio significantly to create liquidity for our balance sheet which would lead directly to a significant reduction in our bank's earnings. Even worse, our bank would be severely limited in the amount of capital we inject into the rural communities we currently serve through lending which hurts the economic vitality of those communities.

The FHLB's Mortgage Partnership Finance Program has allowed our bank to provide secondary market opportunities to consumers that demand long-term fixed rate mortgage loans which due to our bank's size and risk profile, we cannot offer. The MPF Program has brought consumers into our bank that we would have never had the opportunity to serve and allowed us to build banking relationships with these consumers through other deposit and loan products that we are able to offer.

Our bank has also relied frequently on the FHLB's Standby Letter of Credit. Success Bank IS the community bank of Davis County, Iowa, and as a result, we are trusted with the vast majority of the public funds deposits of our local municipalities. In addition to pledging bank assets to the Treasurer-State of Iowa, the FHLB's Standby Letter of Credit allows us to collateralize all public funds as required by the State of Iowa while paying "Best of Market" interest rates on those deposits which directly benefits the municipal organizations.

I hope my letter of support is helpful to the FHFA as you conduct your comprehensive review of the FHLBank System. Success Bank values the FHLB Des Moines as a critical partner, and we believe that making significant changes to the FHLBank System would place community banks at elevated levels of risk to the national banking system. Thank you for your consideration.

Sincerely,



Brad Woolard, President & Director