



March 14, 2023

Federal Housing Finance Agency

RE: FHLBank System at 100: Focusing on the Future (2023)

The Federal Home Loan Bank (“FHLB”) system was established in 1932 by Congress to support mortgage lending and related community investment activity in the wake of the Great Depression. It continues to fulfill this vision now by providing member institutions support for affordable housing and community investment. FHLB has been helping banks and communities with products and services to achieve success in many areas.

FHLB of Chicago has been instrumental in aiding management in taking the Bank of Springfield from a \$20 million bank into a \$1.4 billion bank today over the last four decades. Management has always relied upon FHLB for liquidity sources via secured advances to support bank asset growth and have found the FHLB staff to be professional and well informed on new banking products and services. The services and products have helped us support our communities using the affordable housing programs such as the Down Payment Plus Program (“DPP”), the Mortgage Partnership Finance Program (“MPF”), the Affordable Housing Program (“AHP”) and letters of credit. The array of products offered has given management flexibility in addressing all economic market conditions. Management finds the FHLB a stable and reliable partner helping community banks.

Bank of Springfield became a member many decades ago and continues to be a strong supporter of the FHLB system. Management not only believes the system was designed well but has supplied the banking system a solid partner during all economic ups and downs. FHLB has worked efficiently for the banking industry. Management supports the FHLB mission going into the next decades.

- Management opted to become a partner to use funding resources to assist customer to meet temporary liquidity needs.
- Management utilizes FHLB services to assist with loan growth. In particular, the DPP program has been utilized over the years to help income-eligible customers achieve homeownership. The bank has previously utilized an interest rate swap for hedging purposes. Management relies on the products during all economic cycles and gives new products attention.

- The impact of FHLB products and programs has given management flexibility in serving customers and supporting community activity.
- Management believes there is no reason to reduce access to products for affordable housing and economic development programs. Any reduction from products and services now would be a set back to the FHLB mission and to helping borrowers.
- Bank staff attends and finds value in the annual management conference to stay informed of economic conditions and forecasts, FHLB community support programs, activities, products and services. Staff also attends the annual FHLB Chicago member meeting for new updates regarding products and services.

I hope the Federal Housing Finance Agency will consider these comments before making changes. I don't believe the system is in need of an overhaul. It is functioning as originally intended since 1932 and is meeting the needs of the communities in which its banks serve. I appreciate your time and hope these comments provide solid support for the FHLB mission.

If you have any questions, please feel free to call me at 217-529-5555.

Sincerely,

A handwritten signature in black ink that reads "Tom Marantz". The signature is written in a cursive style with a prominent flourish at the end of the name.

Tom E. Marantz  
Chairman of the Bank of Springfield