

March 14, 2023

To: FHLB Bank System at 100: Focusing on the Future

Dear Director Thompson,

Thank you for this opportunity to comment on the future of the Federal Home Loan Bank of Des Moines and the FHLB Bank System (FHLB).

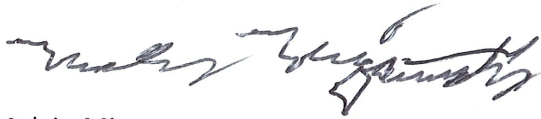
Territorial Savings Bank (TSB) is a \$2.2 billion thrift located in the State of Hawaii. TSB was founded in 1921 and has a proud history of serving residents in the State by offering savings and checking accounts and using these funds to originate mortgage loans. Approximately 97% of our loan portfolio consists of 1-to-4 family mortgage loans made to residents in our State.

To promote home ownership, TSB offers first-time home-owner mortgage loan programs which allows buyers to purchase their homes with loans that have lower interest rates and down-payment requirements and includes discounts on the cost of originating the new loan. Our first-time home-owner program is part of our efforts to serve borrowers in low-to-moderate income areas. TSB has 29 branch offices located throughout the State and has 260 employees.

The FHLB provides important services to TSB. Since Hawaii is one of the smallest states in the country, we obtain advances from the FHLB to increase our liquidity. These advances are used by our Bank to make mortgage loans to our customers. FHLB advances allow us to originate new mortgage loans which gives many families in our State a brighter and more promising future.

As you consider the future of the FHLB, please note that any changes that you make that impairs the ability of the FHLB to serve community banks, like TSB, would have a significant negative effect on our ability to provide important banking services to our customers and to their ability to purchase homes in our State.

Sincerely,



Melvin Miyamoto

Chief Financial Officer
Territorial Savings Bank