



September 30, 2009

Federal Housing Finance Agency
1625 Eye Street, N.W.
Washington, DC 20006
Attention: Public Comments

**Subject: Federal Housing Finance Agency
Affordable Housing Program Interim Final Rule
RIN Number 2590 – AA0**

Dear Federal Housing Finance Agency Public Comments Coordinator:

On behalf of the Federal Home Loan Bank of New York (“New York Bank”), thank you for the opportunity to offer comments regarding the above-referenced interim final rule (“Interim Final Rule”) related to the Federal regulation (“AHP Regulation”) that governs the operation of the Affordable Housing Program (“AHP”) as promulgated by the Federal Housing Finance Agency (“FHFA”).

Since its inception, the primary mission of the Federal Home Loan Bank System has been to provide an efficient, reliable, and equitable source of mortgage financing throughout our nation. The mortgage lending crisis and related dilemmas in the real estate market provide our member lender institutions a significant opportunity to partner with federal, state, and local government agencies in order to resolve housing challenges that our nation has not witnessed since the Great Depression. We are proud that the AHP may become a major distribution channel of private subsidy dollars in order to preserve homeownership for thousands of low- and moderate-income Americans.

Since the New York Bank recently began the process of evaluating how the AHP may be prudently expanded in order to support the refinancing of owner-occupied units, we welcome the opportunities set forth in the Interim Final Rule. We believe that the Interim Final Rule aggressively offers preventative alternatives that coincide with federal, state and local programs in order to effectively safeguard affordable homeownership while maintaining property values and the desirability of neighborhoods in this region. As such, we support the changes contained in the Interim Final Rule and appreciate FHFA’s affirmation of legally enforceable retention mechanisms and support of homeownership and financial counseling.

Proposed Rule: Affordable Housing Program Amendments

September 30, 2009

Page 2

We congratulate the FHFA for its efforts in amending the AHP Regulation in a manner that will help us build on the strong foundation that has supported the AHP's historic success as well as its ability to serve as a distribution model for private housing subsidies. We look forward to an even stronger future.

If you have any questions, do not hesitate to contact either Joseph Gallo, Vice President and Director of Community Investment, at (212) 441-6851 or me at (212) 441-6808.

Sincerely,



Paul B. Héroux
Senior Vice President and
Head of Member Services