



October 2, 2014

Alfred M. Pollard, General Counsel
Attention: Comments/RIN 2590-AA39
Federal Housing Finance Agency
400 Seventh Street SW., Eighth Floor
Washington, DC 20024

Dear Mr. Pollard:

I am writing to you on behalf of Macatawa Bank, a \$1.5 billion community bank located in West Michigan. We are a member of the Federal Home Loan Bank of Indianapolis (FHLBI). I would like to share our concerns with the proposed changes in Federal Home Loan Bank (FHLB) membership requirements.

Macatawa Bank serves its community by supporting its desires for homeownership through the origination of home mortgage loans. In order to support these efforts, we partner with investors on the secondary market, such as FHLBI, to sell many of these home mortgage loans. In doing so, these home mortgage loans are not counted in the proposed asset test.

The proposed asset test seems to hinder sound balance sheet management and provides a potential barrier for Macatawa Bank to remain as a FHLBI member. This would remove one of the tools that Macatawa Bank uses to meet the needs of the community through home mortgage loans, affordable housing programs, community investment programs, and business loans. The proposed asset test does not seem necessary in light of FHLBI's current collateral policies.

I would urge you to reconsider the implementation of the proposed asset test. This would allow us to continue to utilize FHLBI, including the sale of home mortgage loans. FHLBI is an important part of our secondary market strategies which help us to meet the needs of the community with home mortgage loans.

If you have any further questions, please contact me at (616) 494-0532.

Sincerely,

Ron Buit Jr.
AVP – Secondary Market Mortgage Manager