

McGINNIS COMMERCIAL REAL ESTATE COMPANY

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November 11, 2014

The Honorable Melvin L. Watt, Director
Federal Housing Finance Agency
400 7th Street, SW
Washington, DC 20024

RE: Advance Notice of Proposed Rulemaking: Request for Comments – Members of the
Federal Home Loan Banks

Dear Director Watt,

The Federal Home Loan Bank (FHLBank) membership rule being considered by the Federal
Housing Finance Agency (FHFA) will hurt home ownership.

FHLBank Pittsburgh is important in the process of how my customers, homebuyers and
business owners, receive financing. Community banks and credit unions have access to a
reliable funding source by belonging to an FHLBank. My customers in turn have local lenders
who can provide them with the credit they need to purchase a home or open a storefront.
As a REALTOR®, I also work closely with home builders and regularly witness how new
construction loans and loans for rehabilitating existing housing stock leads to healthier
neighborhoods and a more stable economic climate.

FHLBank Pittsburgh's First Front Door (FFD) program is a prime example of how FHLBanks
positively affect communities. This down payment assistance program for low income (80%
and below area median income) first- time homebuyers has provided over \$38 million to
transform families from renters to owners in Pennsylvania, Delaware and West Virginia.
This program is funded by the ten percent of an FHLBank's net income that is required by
federal law to fund the Affordable Housing Program. Since the regulation will make
FHLBank membership less attractive and decrease FHLBank lending and earnings, funds
available for the FFD will diminish. I urge you to consider the negative impact of this
proposal on first time homebuyers.

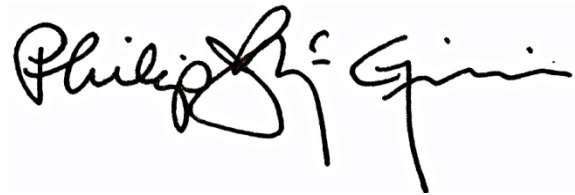
FHLBank Pittsburgh's Banking on Business (BOB) program provides grants to support
member lending to small businesses. FHLBank Pittsburgh funds the BOB program based on
its earnings. If the regulatory proposal reduces FHLBank Pittsburgh lending and profits then
the amount of funding for BOB grants to support small businesses will be reduced as well.
My customers trying to open local businesses will be directly affected.

Who would fill such a gap if funding for these programs decreased due to this change in
federal regulation?

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From my experience as a REALTOR® in Dover, Delaware, I know limiting the FHLBank's ability to lend to small community banks will hurt the goal of home ownership and the mission in promoting housing finance fulfilled by the FHLBanks. I strongly urge FHFA to completely withdraw RIN 2590-AA39.

Respectfully submitted,

A handwritten signature in black ink that reads "Philip McGinnis". The signature is written in a cursive, flowing style with a large initial "P" and "M".

Philip McGinnis, CCIM, GAA, ALC, e-PRO