

November 19, 2014

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

Re: Notice of Proposed Rulemaking and Request for Comments – Members of Federal Home Loan Banks (RIN 2590-AA39)

Mr. Pollard:

I am writing to express my concern with the new rule noted above that is being proposed by the Federal Housing Finance Agency (FHFA) which was published on September 12, 2014.

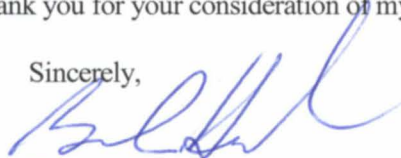
The Pennsylvania Housing Finance Agency (PHFA) is the largest provider of affordable housing finance in the Commonwealth. Since 1972, it has generated nearly \$11.8 billion of funding for more than 157,300 single-family home mortgage loans, helped fund the construction of 122,590 rental apartments, and saved the homes of more than 47,850 families from foreclosure. In order to create affordable housing opportunities, PHFA leverages all available resources and relies on strong partnerships formed with other organizations. One of its most productive and important partnerships has been with the Federal Home Loan Bank of Pittsburgh.

In that regard, any new rule that compromises or diminishes the Federal Home Loan Bank of Pittsburgh's ability to generate revenues will adversely affect its ability to partner with PHFA on many worthwhile housing initiatives. Since 1990, FHLBank Pittsburgh has provided approximately \$183 million in AHP grant awards. There is no question that FHLBank Pittsburgh's Affordable Housing Program (AHP) will be diminished under this rule by making membership less attractive since continued access to FHLBank funding would be based on a new rule that is complicated and in my opinion unnecessary. This will no doubt result in decreased lending by the FHLBanks which will hurt earnings and affordable housing efforts in the state.

Additionally, as an affordable housing partner that works closely with community lenders, I have seen the important role that the FHLBank plays in providing funding for community banks. The proposed rule will greatly change the relationship between FHLBanks and their member banks that is so important to the affordable housing community in their local markets.

With housing finance playing a critical role in our nation's recovery, I strongly urge the Federal Housing Finance Agency to not adopt this proposed rule. Thank you for your consideration of my remarks.

Sincerely,



Brian A. Hudson, Sr.
Executive Director & CEO