



December 8, 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)

Dear Mr. Pollard:

Milestone Ventures, Inc. is a for-profit affordable housing consultant and developer operating throughout the rural areas of Indiana. We have been involved with the Affordable Housing Program (“AHP”) for the past 14 years and its impact on affordable housing in rural Indiana has been significant. Without the availability of funding from the AHP program many projects would never have been developed and rent affordability levels would never have been achieved.

The proposed change to the membership requirements for the Federal Home Loan Bank (“FHLB”) will impose burdens on current FHLB member banks will lead to a reduction in the number of FHLB members throughout the country. The proposed changes will disproportionately impact small- and medium-sized financial institutions which are critical partners in redeveloping underserved rural areas of the country by providing long term permanent debt and sponsoring Affordable Housing Program (“AHP”) grants. Small and medium sized financial institutions operating in rural areas are many times the only banks that will sponsor an AHP grant for a small project due to location and/or the size of the permanent debt that a project can support. Merchants Bank of Indiana, State Bank of Lizton, and IU Federal Credit Union are all examples of small to medium sized financial institutions that have stepped up to sponsor projects that serve low income seniors, families, and especially persons with special needs. If changes proposed by FHFA result in the loss of these members, these populations will no longer be adequately served in the rural areas.

The member institutions of the Federal Home Loan Bank have contributed to restoring economic vitality to our communities, creating jobs, and providing credit facilities that otherwise may not have been available. We are concerned that the proposed changes to the FHLB membership requirements will undermine the economic recovery in our community and throughout our state and reverse the progress we are making to revitalize our communities and provide safe, decent, and affordable housing. On behalf of Milestone Ventures, Inc. and the communities/clients we serve, I urge you to withdraw RIN 2590-AA39 from consideration.

Sincerely,

Charles Heintzelman
Principal