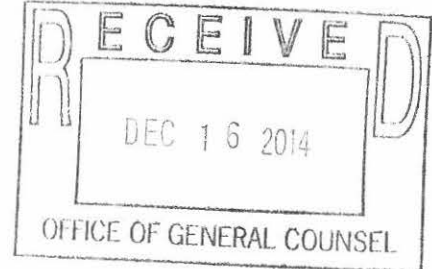


December 8, 2014

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



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

Dear Mr. Pollard:

I would like to know the purpose of the above proposed rule?

The rule will make it more difficult for our bank to continue serving our rural communities with the credit needed to finance the purchase of homes or the construction of new homes. As long-time members of the Federal Home Loan Bank of Des Moines (FHLB DM) we have utilized many of their services.

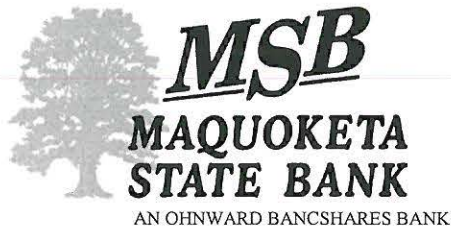
Most importantly the FHLB DM has been a source of long term funding to make residential home loans in our service area. As a rural community bank we utilize their Mortgage Partnership Finance (MPF) program to provide affordable funding for housing loans. Thanks to the MPF program we are able to offer long term fixed rates to our customers. Currently we are servicing over \$29 million in MPF home loans that we have originated for our customers.

203 North Main Street
Maquoketa, Iowa 52060
Phone 563/652-2491
FAX 563/652-2495

112 McKinsey Drive
Maquoketa, Iowa 52060
Phone 563/652-2491
FAX 563/652-0552

16 West Benton Street
Andrew, Iowa 52030
Phone 563/672-3575
FAX 563/672-9606

131 West Gillet Street
Preston, Iowa 52069
Phone 563/689-3535
FAX 563/689-3537



Over the years we have sold those long term home loans to provide funding and liquidity. Since those loans are not held in our portfolio they would not count toward your new “**asset test requirements**” being proposed. For our bank and community banks like us, there is the very real possibility our FHLB DM membership could be terminated for not meeting an arbitrary asset test.

To offer long term fixed rate loans to our businesses and farmers we use the FHLB Advance program and presently have \$18.5 million in advances. Also Maquoketa State Bank has been able to assist many first time home buyers with down payments through the FHLB Down Payment Assistance program.

The Federal Home Loan Bank of Des Moines has been a strong partner for hundreds of community banks like Maquoketa State. The rule being proposed will limit our ability to serve our customers and will be detrimental to housing, credit availability and economic growth in the rural areas across the country.

Sincerely,

Maquoketa State Bank

A handwritten signature in black ink that reads "Florian Steffen". The signature is written in a cursive style.

Florian Steffen

CEO

203 North Main Street
Maquoketa, Iowa 52060
Phone 563/652-2491
FAX 563/652-2495

112 McKinsey Drive
Maquoketa, Iowa 52060
Phone 563/652-2491
FAX 563/652-0552

16 West Benton Street
Andrew, Iowa 52030
Phone 563/672-3575
FAX 563/672-9606

131 West Gillet Street
Preston, Iowa 52069
Phone 563/689-3535
FAX 563/689-3537

www.maquoketasb.com