



VANTAGE BANK

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

Re: Notice of Proposed Rulemaking and Request for Comments- Members of the FHLBanks (RIN 2590-AA39)

Dear Mr. Pollard:

I am Jeff Montgomery, President/CEO of Vantage Bank. Our institution uses the Federal Home Loan Bank of Des Moines Mortgage Partnership Program as part of our mortgage lending program. We use Iowa Bankers Mortgage Corporation to service these loans. Your proposed rule would eliminate Captive Insurance Companies like Iowa Bankers Mortgage Corporation from membership which will negatively affect how we provide mortgage loans to our customers.

It also seems incredibly disingenuous to eliminate captive insurance companies from FHLB membership at a time when housing finance is at risk with only a small private secondary market and Fannie and Freddie in conservatorship. This is the time to encourage the development of additional markets for both single and multifamily mortgages. Financial institutions are being discouraged from holding mortgages meaning that we need to see the development of new outlets. The FHLBanks are a logical place to create these new models. Why would you eliminate opportunities rather than work with us to develop new systems of finance?

Because the proposals would harm FHLBank members and hurt housing, credit and economic growth, we ask that the FHFA withdraw the new membership rules contained in its September 12, 2014 Notice of Proposed Rulemaking and work with FHLB members to preserve the FHLBs as a reliable partner of its members that benefits local lending institutions, communities, housing, homeownership and the nation's economy.

Without access to our FHLBank, the credit available to communities in our region will be unnecessarily impacted. We believe this proposed rule is a solution in search of a problem. Because the proposed rule outlines no safety and soundness concerns-and because there is no legitimate public policy goal of the proposed rule Vantage Bank strongly recommends that you withdraw the proposed rule. Thanks for taking our comments into consideration.

Sincerely,


Jeff Montgomery
President/CEO
Vantage Bank

KENT OFFICE

202 Main Street, P.O. Box 51 • Kent, MN 56553 • Phone: 218-557-8381 / Fax: 218-557-8382

ALEXANDRIA OFFICE

410 30th Ave. East, Suite #201 • Alexandria, MN 56308 • Phone: 320-759-5626 / Fax: 855-252-5050