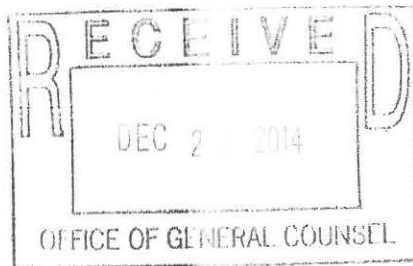


Wabuck Development Company, Inc.



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December 18, 2014



Alfred M. Pollard, General Counsel
Attn: 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)

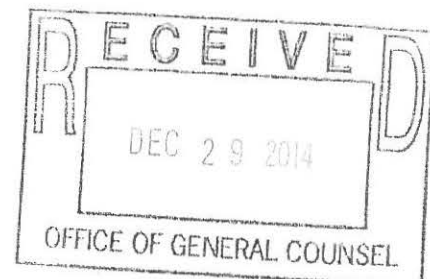
Mr. Pollard:

Wabuck Development Company, Inc. is an affordable housing partner that works closely with community lenders and FHLBank Cincinnati. We know the vital role FHLBanks serve in providing funding for community banks. This proposed rule would alter the relationship between FHLBanks and their member banks and potentially harm affordable housing.

Our organization has been involved in the development of approximately 100 projects which have utilized AHP funds from the Federal Home Loan Bank system. Among the projects we have developed are:

- Homeownership for low income veterans
- Homeownership for persons with disabilities
- Housing for persons recovering from addiction
- Housing for elderly
- Housing for abandoned children

These projects would not have been possible without the resources and flexibility of AHP. A critical part of the many rental projects we have undertaken is the ability to obtain long term fixed rate financing from the member banks to accompany the AHP grants. As banks have limited appetite for fixed rate financing we are constantly soliciting new banks to participate in the AHP program. What we need in order to continue is more membership in the FHLB system. This rule would lead to reduced affordable housing for special needs and low income families.



This rule will make membership in the FHLBank less attractive to banks and credit unions since continued access to FHLBank funding will be contingent on new ongoing asset tests. This will no doubt result in decreased lending by the FHLBanks which will hurt earnings. Ten percent of the net earnings of each FHLBank are directed to fund its Affordable Housing Program (AHP). Since 1990, FHLBank Cincinnati has provided approximately \$544 million in AHP grant awards to create more than 70,000 units of housing for low or very low-income residents. Should current and prospective membership in an FHLBank be threatened, FHLBank Cincinnati's ability to provide AHP grants to affordable housing partners will be diminished. Fewer funds will thus be available to provide AHP grants to support very-low and low-income housing. There exists a stable partnership between banks, affordable housing groups and FHLBanks through the AHP program that keeps at-risk families, veterans, senior citizens and people with disabilities from falling through the cracks.

The neighborhoods we serve require access to credit to build new housing, rehab existing stock and stimulate community investment. An arbitrary asset test for continued FHLBank membership will achieve the opposite effect and hurt communities in the process. As a stakeholder in this process, Wabuck Development Company, Inc. strongly urges the FHFA to withdraw RIN 2590-AA39.

Sincerely,



Garry D. Watkins, President
Wabuck Development Company, Inc.

GDW/adc