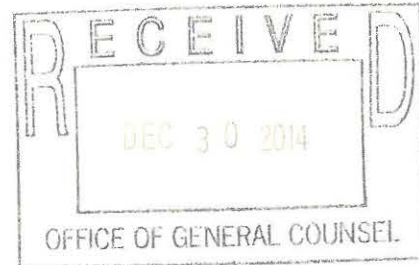




December 19, 2014

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



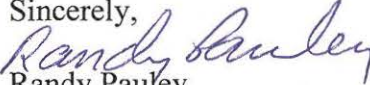
Dear Mr. Pollard,

As a stockholder in FHLBank of Cincinnati, I am writing this letter to express my strong opposition to the proposed Membership change being considered by your agency.

Leitchfield Deposit Bank & Trust Company relies on the Federal Home Loan Bank of Cincinnati as a stable source of liquidity. The proposed Membership change has the potential to remove this source of liquidity should we fall below a 1% mortgage asset test. Here in Leitchfield, Kentucky the post-recession sluggish 1st mortgage business coupled with costly regulatory burdens challenge my bank to grow its mortgage business. The thought that my membership at FHLBank may be subject to an ongoing "makes mortgages" test destabilizes community banks that are currently experiencing a trend of declining mortgage assets on our balance sheets. Does Leitchfield Deposit Bank & Trust Company offer 1st mortgages? Absolutely! However, many are sold in the secondary market, again to FHLBank of Cincinnati, and this secondary market consideration is not included in the arbitrary "makes mortgages" calculation.

The proposed regulation also fails to recognize our strong commitment to affordable housing. Since 1990, Leitchfield Deposit Bank & Trust Company has received over \$7.3 million in grants from the Affordable Housing Program to create over 590 units of housing with a total development cost in excess of \$52 million. This commitment to affordable housing is not considered in your proposed "makes mortgages" calculation.

With this letter I respectfully request that FHFA withdraw the proposed FHLBank Membership rule.

Sincerely,

Randy Pauley
President/CEO
Leitchfield Deposit Bank & Trust Company

"Your Hometown Bank Since 1897"

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