

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

Via Electronic submission to: www.FHFA.gov

Dear Mr. Pollard:

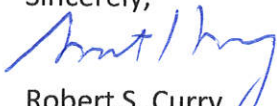
The Cleveland Housing Network (CHN) appreciates this opportunity to provide you with comments on the Notice of Proposed Rulemaking covering membership in the Federal Home Loan Bank system (RIN 2590-AA39) published in the *Federal Register* on September 12, 2014. We have serious concerns about the potential adverse effects of the rule on the housing and community development sector. We urge the Federal Housing Finance Agency (FHFA) to reconsider the rule.

CHN was formed in 1981 to address homes left vacant by urban flight and the lack of quality, affordable housing for low-income families who remained. In 1987 CHN pioneered a link between Low Income Housing Tax Credits and home ownership opportunities, creating its flagship Lease Purchase Program. The program offers a 15-year pathway to home ownership for those who could not otherwise buy a home. Today CHN is the nation's largest nonprofit, single-family affordable housing developer. Our mission is to build vibrant neighborhoods and strong families through healthy affordable housing and strengthened financial security.

We have concerns about the potential effects of the proposed rule on the overall revenues and profitability of the FHLBank system. To the extent that the new rule discourages membership in and borrowing from the Federal Home Loan Banks, it has potential to inadvertently shrink and reduce the system's revenues. A reduction in the FHLBank profitability would spill over into the housing and community development sector by reducing the funds available to the AHP program. The AHP program is an important source of subsidy for a key part of our work – Permanent Supportive Housing for the chronically homeless. We ask that you carefully reconsider the proposed rule and its potential effects on the AHP program.

If you have any questions about these comments, please contact me (rcurry@chnnet.com, or 216-2340).

Sincerely,



Robert S. Curry
Executive Director