



January 9, 2015

Mr. Alfred M. Pollard, General Counsel  
Attention: 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,

On behalf of Habitat for Humanity Detroit (HFHD), I am writing to request that the Federal Housing Finance Agency (FHFA) withdraw the Notice of Proposed Rulemaking - Members of Federal Home Loan Banks, due to the negative impact it will have on the development of affordable housing throughout our service area and nationwide.

HFHD is part of an affiliated group of more than 1,500 organizations in the United States. All of us have the mission of building homes, community and hope in the geographic areas that we serve. We provide affordable housing solutions to some of our nation's most vulnerable populations: homeless, people with disabilities; single mother-headed households, and others who need a hand up and not a handout. Our work is aligned with the original mission and intent of the Federal Home Loan Bank system, and when we access funds through the FHLB's Affordable Housing Program (AHP), we advance both missions.

Over our history, HFHD has utilized nearly \$1.5 million in awards from AHP, Neighborhood Improvement Program (NIP), Housing Opportunity Program (HOP) funds through the FHLBanks located in Indianapolis, Cincinnati and Boston. These awards have helped us to serve over ninety families obtain affordable housing. Most recently, we were awarded \$100,000 of AHP grants that have leveraged \$1.1 million in private funding for new home construction. The families, who will benefit from the recent awards, include three veteran households (including one who had been previously homeless), two elderly families and a man who has been disabled since birth.

The FHLBank funding is one of the few sources of support for homeownership projects that can help close the difference between appraised value and cost. In the city of Detroit, both new and rehabilitated homes, can cost as much as \$120,000 but will only sell for \$60,000. Without the FHLBanks' support, fewer homes are built, and fewer families are served.

By law, the amount of funds available through the FHLBanks housing programs is correlated with their income. The more they lend, the more profits they earn that can be distributed through their programs. However, if the FHFA adopts the proposed rule, to exclude captive insurers from membership and prevent entities not eligible for membership from gaining access to Bank advances through a captive insurer, FHLBank profits from lending activities, will be reduced. The result is a decrease in the amount of funds available for all of the FHLBanks' programs and a reduction in affordable housing opportunities that we can provide to hard working, low-income families.



It is my hope and request that the FHFA will reconsider this matter and withdraw the proposed rule change.

Regards,

A handwritten signature in black ink, appearing to read "Vincent Tilford". The signature is written in a cursive, flowing style.

Vincent Tilford  
Executive Director  
Habitat for Humanity Detroit