

January 12, 2015

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:

The Federal Home Loan Bank of Cincinnati and its many product offerings are an invaluable resource to Bank of Cleveland and our ongoing mission to serve our community. In the past year the Bank has utilized FHLB letters of credit to collateralize local public deposits. In addition, the Bank has served as a conduit between Habitat for Humanity of Cleveland and FHLB. This relationship has allowed significant grant money, over \$1 million, to flow to Habitat for new home construction as well as rehab monies for residences in blighted areas of the community. We also utilize FHLB as a main contingency funding source in the event a liquidity crisis should occur.

Bank of Cleveland is a community Bank located in Cleveland, Tennessee and servicing Bradley County for 28 years, with 2014 year ending assets of roughly \$220 million. Our niche in the community has been home construction and home lending with the majority of these loans being sold on the secondary market. Last year the Bank originated in excess of \$33.25 million of conventional home mortgages and transferred them to upstream correspondent banks. Over the past five years the volume of loans originated and transferred has averaged in excess of \$43 million per year.

Any new limitations that are contemplated for FHLB participation could have a major impact on us and our community. We are concerned that we are not given credit for home loans we originate and subsequently transferred to our correspondent banking relationships. We are also concerned about our lending activities of residential home construction and business activities that involve residential housing collateral with terms and conditions that may not qualify as long-term home mortgage loans.

If our relationship with FHLB and our ability to access their products and services is altered in anyway, it will have a direct negative affect on our community. If you need to reach me, my direct number is 423-478-8403 and my email address is sullivanj@bankofcleveland.com. Thank you for your consideration.

Sincerely,

S. Julian Sullivan, III
President & CFO

