

North Side Bank
AND TRUST COMPANY

June 7, 2018

Mr. Alfred M. Pollard
General Counsel
Attn: Comments/RIN 2590-AA83
Federal Housing Finance Agency
400 Seventh Street, SW, Eighth Floor
Washington, DC 20219

Gentlemen,

As a community banker for 46 years and a member of the Federal Home Loan Bank of Cincinnati, I would like to offer comment on the Federal Housing Finance Agency's proposed amendments to the Affordable Housing Program.

The FHLBanks and their Affordable Housing Advisory Councils, asked the FHFA to update the regulation to give the FHLBanks more flexibility and independence in operating their AHP. Rather the proposed Regulation is more stringent and restrictive than the current one.

The current Regulation is based on the scoring based approach. In contrast, the proposed Regulation requires that 55 % of the FHLBank's annual required AHP contribution to meet two of three pre-established FHFA priorities, which is essentially a quota.

This creates the potential for the FHLBanks to re-rank their projects in order to avoid the penalty for failing to meet the prescribed outcome requirement. The penalty is overly harsh and I recommend it be removed. The original system is decidedly preferable.

The current system and AHP would be best served without any changes.

Sincerely,



Jack A. Coors
President/CEO