



June 12, 2018

Alfred M. Pollard, Esq., General Counsel
Attention: Comments/RIN 2590-AA83
Federal Housing Finance Agency
400 Seventh Street, SW
Eighth Floor
Washington, D.C. 20219

RE: Notice of Proposed Rulemaking and Request for Comment: Affordable Housing Program Amendments (RIN2590-AA83)

Dear Mr. Pollard

Thank you for the opportunity to comment on the Notice of Proposed Rulemaking released by the Federal Housing Finance Agency (FHFA) regarding amendments to the Affordable Housing Program (AHP).

Our wholly owned subsidiary, TH Insurance Holdings Company LLC, is a member of the Federal Home Loan Bank of Des Moines. Since becoming a member, we have successfully sponsored three AHP grants totaling \$1,250,000, and are currently sponsoring a fourth application for an additional \$250,000 grant. We are extremely proud that these AHP grant funds have made it possible to expand affordable housing for low and moderate income individuals in our community, and commend the efforts of the FHFA and FHLBanks for supporting the AHP over the last three decades.

We are supportive of the FHFA's current effort to review the AHP regulations to ensure that the program continues to meet the needs of the FHLBanks in fulfilling their affordable housing mission. Indeed, we understand that FHFA's intent behind the proposed amendments to the AHP regulations was to give the FHLBanks more flexibility and autonomy in administering their AHPs, including the ability to better target specific affordable housing needs within their own districts. We are concerned, however, that the several of the amendments will actually have the opposite result and will severely limit the ability of the FHLBanks to tailor their AHP to be responsive to the specific affordable housing needs within their own district.

As currently constructed, the proposed amendments impose arbitrary minimum thresholds related to serving certain categories of need, enforce rigid outcome requirements combined with re-ranking methodologies that will make the scoring process opaque and unpredictable, and contain unnecessary administrative burdens that will significantly increase the time and effort involved in administering the program, all of which would result in unintended

consequences for users and beneficiaries of the AHP and severely affect the ability of member institutions to use the program to best meet local and regional affordable housing needs. We believe the FHLBanks, working closing with member institutions and program participants, are in the best position to determine how to meet the affordable housing needs of within their communities; the existing AHP rules give them the autonomy and flexibility to do so.

Again, we commend the FHFA for its desire to update the AHP regulations for the betterment of the program. However, in light of the concerns noted, we respectfully ask that you reconsider the several aspects of the proposed rulemaking that would make it more difficult for the FHLBanks to tailor their AHP in order to continue to meet the specific affordable housing needs of their own communities.

Sincerely,



Thomas E. Siering
President and Chief Executive Officer