



*Where homeless families
Build their future*

VINCENT HOUSE, INC.

2827 HOLTON AVENUE
FORT WAYNE, INDIANA 46806
(260) 456-4172 FAX (260) 456-4075

*M. Ann Helmke, M.S.W.
Executive Director*

July 10, 2006

The Honorable Ronald A. Rosenfeld
Chairman
Federal Housing Finance Board
1625 I Street N.W.
Washington, DC 20006-4001

Re: Public Comments
Excess Stock Restrictions and Retained Earnings Requirements
for the Federal Home Loan Banks
#3069-AB30

Dear Honorable Rosenfeld:

It is with great concern that I write to you today in regards to the proposed capital rule on the Federal Home Loan Banks (FHLBank). Specifically, I am concerned with the impact that the rule will have on the ability of the Federal Home Loan Bank of Indianapolis to provide funding for low- to moderate-income families in the state of Indiana.

The Affordable Housing Program (AFP) has helped many Indiana families realize the "American Dream" of owning a home of their own. Without this vital funding source, the number of families that are able to purchase their own home will be greatly reduced. Home ownership is the single most effective asset builder for families and individuals in our country. It is a win win situation for the individuals, families, communities and the government.



Vincent House, Inc. provides transitional shelter and affordable housing for homeless families living in Allen County. A successful transition to permanent housing and family self-sufficiency are the goals of the program. Vincent House provides a safe affordable home for families while they improve their skills and establish or mend their credit history. Last year two families were able to purchase their own home. Without the current level of funding from FHLBank these families would not have been able to make this important step.

This proposal will reduce FHLBank asset size, mortgage holdings and liquidity investments thereby reducing income and ultimately funds available to help low-income families obtain housing under the successful Affordable Housing Program. Although difficult to predict, it is estimated that for the FHLBI, AHP grants to families will be reduced by over \$1 million per year. This decrease in funding will have an immediate and negative impact on the low-income families that are served by sponsoring organizations of the FHLBI.

On behalf of the hundreds of low- to moderate income families that have been served through the AHP, and the hundreds more that are in need of decent, safe and affordable housing, we ask that you reconsider this proposal.

Sincerely,



M. Ann Helmke
Executive Director

CC: Representative Mark Souder
3rd District, Indiana