



July 12, 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:

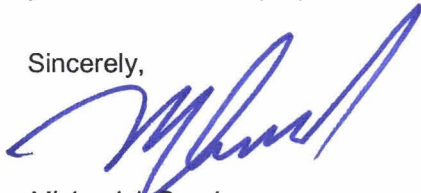
It is with great concern that I write to you today in regards to the proposed capital rule on the FHLBanks. Specifically, I am concerned with the affect that the rule will have on the ability of the Federal Home Loan Bank of Indianapolis to provide funding to our low- to moderate-income families in the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

The Affordable Housing Program is a vital funding source to my organization's projects and to the people that we serve. Gas City School Apartments in Gas City, Indiana is an excellent example of the use of AHP funds.

The 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 that 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 we serve as sponsoring organizations of the FHLBI.

On behalf of the hundreds of low- to moderate income families that we have 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,



Michael J. Surak
President
Englewood Development Company, Inc.

CC: Congressional representative