

Mary Lee Widener
1 Lakeside Drive # 902
Oakland, CA 94612

July 13, 2006

Federal Housing Finance Board
1625 Eye Street, N.W.
Washington, D. C. 20006
Attn: Public Comments

Re: Federal Housing Finance Board; Proposed Rule: Excess Stock Restrictions and Retained Earnings Requirements for Federal Home Loan Banks; RIN Number 3069-AB30; Docket Number 2006-03

Greetings:

Thank you very much for the opportunity to comment on the subject proposed rule published in the Federal Register on March 15, 2006.

I have reviewed the proposed rule and the comment letter of the Federal Home Loan Bank of San Francisco (Bank). Given my knowledge of the strength of the management team and board of directors at the Bank, as one of its former chairpersons, this letter mainly is to join in the Bank's comments and appeal to the Federal Housing Finance Board to take very seriously the Bank's thoughtful comment letter.

The Bank staff and the board of directors take very seriously the importance of a strong Federal Home Loan Bank System and have identified concerns with the proposed rule that will have unintended adverse consequences for the Bank, its members, other Federal Home Loan Banks, the Federal Home Loan Bank System, and their respective communities.

This is to urge the Federal Housing Finance Board to withdraw the proposed regulation and conduct a thorough analysis of each issue raised during the comment period by the Federal Home Loan Bank of San Francisco and others.

I am making this appeal because the Federal Home Loan Bank System fills an important void in the flow of capital to develop and maintain communities in need of appropriate capital resources that do not fit conventional credit standards. The Federal Home Loan Banks provide advances to their members in a manner that allows them to use the funds to respond to the unique community development needs of the communities they serve. This unique asset for America's communities is worthy of the most careful analysis and consideration of concerns raised thoughtfully before making the proposed rule final.

Thank you very much for your consideration of this request.

Sincerely,



Mary Lee Widener
Former Chairperson
Federal Home Loan Bank of San Francisco
President and Chief Executive Officer
Neighborhood Housing Services of America