

Habitat for Humanity Lake County, CA

A Community Asset!

P. O. Box 1830
Lower Lake, CA 95457
707 987-1101

Federal Housing Finance Board
1625 Eye Street, NW
Washington, DC 20006

RE: Federal Housing Board, Proposed Rule: Excess Stock Restrictions and retained Earning Requirements for Federal Home Loan Banks; RIN Number 3069-AB30; Docket Number 2006-03.

Dear Sir/Madam:

I thank you for the opportunity to comment on the Federal Housing Finance Board's proposed rule on excess stock and retained earning and the impact it would have on our Affordable Housing Program.

The Affordable Housing Program (AHP) of the Federal Home Loan Bank is a critical source of housing funds in our community. Without which we could not have a chance to build affordable housing in our area and I am sure the same would be in all affordable housing organizations in the United States. Simply put, we would have to turn away many families because of the lack of funds. This would put a greater burden on government funding at all levels to supply housing for those in need. **The AHP grant system provides for an efficient funding and distribution system for affordable housing initiatives.**

The reduction in AHP funds to our housing programs would instantly halt badly needed housing projects. **Our reliance on sustainable AHP funds should not be understated.**

I respectfully ask the Finance Board to consider the overall impact of the proposed rule and how it could drastically affect low income family's ability to live in a safe and healthy home. If the proposed rule is adopted, I have no doubt **large number of families with children will have no choice but to continue to live in substandard housing.**

I urge the Finance Board not to adopt the proposed rule, but to help find ways to increase funding of the FHLB Affordable Housing Program.

Sincerely,

Richard Birk
President