



N O R M A N D I E
NON PROFIT HOUSING, INC.

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July 12, 2006

Federal Housing Finance Board
1625 Eye Street, NW
Washington, D.C. 20006

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

Dear Sir/Madam:

We thank you for the opportunity to comment on the Federal Housing Finance Board's proposed rule on excess stock and retained earnings requirements.

The Affordable Housing Programs (AHP) of the Federal Home Loan Banks (FHLBanks) are a critical source of affordable housing funds in the U.S. They involve a unique public-private partnership among the FHLBanks, their member institutions, community-base sponsors, state and local governments, and other entities' The Bank has awarded approximately \$400 million in AHP grants to assist in the creating of over 70,000 affordable housing units. Our organization relies on these funds to build affordable housing in our community.

Normandie Nonprofit Housing received a \$145,000 AHP grant that allowed us to successfully develop and operate 75 senior housing units in the underserved south Los Angeles community. Without that assistance the tenants we serve could not have afforded safe and desirable housing on their income.

We urge you to withdraw this proposed rule. Its impact could be extremely damaging to the efforts of our organization and similar organizations nationwide that are working to provide affordable housing opportunities to families in need. Thank you for your consideration of these comments.

Sincerely,

NORMANDIE NONPROFIT HOUSING, INC.

William H. Lockert
Executive Director