



July 10, 2006

**Alliance Area
Habitat for Humanity**

405 South Linden Avenue • Suite 207
Alliance, Ohio 44601

Federal Housing Finance Board
1625 Eye St.
Washington, DC 20006

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

I am writing to express my concern over the impact of the proposed capital rule on the FHLBank of Cincinnati and its ability to support its housing mission. I represent the Alliance Area Habitat for Humanity, a nonprofit organization providing housing services to low income families in Alliance, Ohio. Our affiliate has partnered with the FHLBank to provide many of the 30 homes we have built for families. Many of these families were living in unsafe and unhealthy situations.

FHLBank funding is often the critical first level of financial commitment to our projects. It helps leverage other sources of public and private funding and bring together the necessary partners and leaders for effective development. As the highly successful Affordable Housing Program is based on a 10% set-aside of annual net profits, we all have a stake in the success and profitability of the FHLBank.

The FHLBank has demonstrated its commitment to affordable housing over and above its mandated AHP. The proposed regulation would seem likely to shrink the size of the FHLBank, reduce its profitability, increase costs to its members, all to no apparent benefit. Why penalize the FHLBank member lender, housing partners and our at-risk families? With fewer state and federal housing dollars available for targeted affordable housing, I strongly urge you to reconsider this restrictive regulation that will result in lower FHLBank profits and result in fewer residents gaining access to decent housing.

Sincerely,

A handwritten signature in black ink that reads "Sandy Strub". The signature is written in a cursive, flowing style.

Sandy Strub, Executive Director
Alliance Area Habitat for Humanity

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