

**Housing and Community
Development Department**

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

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


Dear Sir or Madam:

Please consider the following comments regarding the referenced proposed rule. I am concerned about what impact the proposed capital rule might have on the Federal Home Loan Bank of Cincinnati and its effect on affordable housing. As the Director of the Housing and Community Development Department of the City of Bowling Green, Kentucky, I have had several opportunities to work with the FHLB of Cincinnati and partnering agencies to create opportunities for affordable housing in our community.

In our community, these FHLB funds have primarily been used to write down the cost of a home to make it affordable to deserving families who just need a little extra help to become homeowners. Not only does the affordable housing program meet the very basic need of shelter, owning a home, in my opinion, is the greatest opportunity that most families will ever have to build wealth.

FHLB funds are so very important to our homeownership projects because of the flexibility of the funding and because the funds are often the first committed. This enables us and our partners to effectively leverage other sources of funding. While I understand the efforts of the Federal Housing Finance Board to ensure the continued financial stability of the FHLB, I ask that you also consider the effect of the proposed rule on the ability of the FHLB of Cincinnati to meet the needs of the communities it serves. The proposed regulatory changes could effectively reduce the size and profitability of the FHLB of Cincinnati, and increase the cost to its members. In turn, this reduces our ability to provide access to decent, safe, and affordable housing. In light of these needs, please reconsider implementation of the proposed rule.

Sincerely,


Alice A. Burks
Director

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