



**The Community Builders, Inc.**

95 Berkeley Street, 5th Floor  
Boston, MA 02116-6240

**617 695-9595**

main fax 617 695-9805  
development fax 617 695-9205  
finance fax 617 695-9001  
human services fax 617 695-9205  
legal fax 617 695-9483  
personnel fax 617 451-1290

TDD 800 545-1833 x183  
www.tcbinc.org

June 22, 2006

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

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

To Whom It May Concern:

On behalf of The Community Builders (TCB), I would like to comment on the proposed capital rule referenced above. The Community Builders is a non-profit organization committed to revitalizing urban neighborhoods with a forty year track record of production of over 20,000 units of affordable and mixed income housing.

Albany Boston Chicago Cincinnati  
Indianapolis Louisville New Haven  
Pittsburgh Providence Springfield  
Washington D.C.

Patrick E. Clancy  
President & Chief Executive Officer

I previously served as a member of the Advisory Board of the Federal Home Loan Bank of Boston for a number of years. We believe that the Affordable Housing Program of the Federal Home Loan Bank system is an extraordinary valuable resource for the production of the limited amount of affordable housing that is produced in this country today. We believe that this proposed capital rule will significantly reduce the profitability of the bank system as a whole and thereby reducing the overall contributions to the Affordable Housing Program. This would have a hugely detrimental effect on our work and the work of many others around the country.

I strongly urge you to reconsider this proposed rule and conduct further and more detailed study of the potential effects before proposing such a drastic change to the banking system, with its resulting impact on the efforts of ourselves and others to increase the supply of affordable housing in the nation.

Sincerely,

  
Patrick E. Clancy  
President & CEO