



The Faith Community
 Calvary Baptist
 Canterbury United Methodist
 Central Christian
 Crosswood Christian
 Faith Lutheran
 First Presbyterian
 First United Methodist
 Good Shepherd Episcopal
 Immanuel Baptist
 Maxwell Street Presbyterian
 Porter Memorial Baptist
 Shiloh Baptist

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FAITH COMMUNITY HOUSING FOUNDATION

An opportunity to serve... providing safe, affordable housing for low-income people

1450 N. Broadway, Lexington, Ky. 40505 • (Phone) 659.231.0054 • (Fax) 659.231.0261

June 21, 2006

Federal Housing Finance Board
 1625 Eye Street, NW
 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 Faith Community Housing, a nonprofit organization providing housing services to low income families in Lexington, Ky. My organizations have partnered with the FHLBank to provide 172 units in projects totaling over \$10 million, and we are completely non profit.

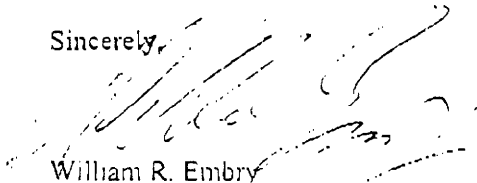
FHLBank funding is often the critical first level of financial commitment to our projects. It helps leverage other sources of public and private funding and bring together the necessary partners and leaders for effective development. As the highly successful Affordable Housing Program is based on a 10 percent 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 Affordable Housing Program. 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 lenders, housing partners and our at-risk clients? 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, by extension, fewer residents gaining access to decent housing.

Without Federal Home Loan Bank our future projects would be impossible to finance.

Please. Please. Please.

Sincerely,


 William R. Embry