



**Habitat**  
**for Humanity®**  
of Miami County, Ohio

*Building  
houses,  
building  
hope*

June 15, 2006

FEDERAL HOUSING FINANCE BOARD  
1625 EYE STREET, NW  
WASHINGTON DC 20006

Attention: Public Comments  
Excess Stock Restrictions and Retained Earnings Requirement 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 Habitat for Humanity of Miami County, Ohio, a nonprofit organization providing housing services to the poor in Miami County, Ohio. My organization has partnered with the FHLBank to provide 12 single family houses with \$7,500 subsidies each for Habitat partner families.

FHLBank funding is 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. We have a stake in the success and profitability of the FHLBank. The FHLBank has been very supportive of Habitat for Humanity of Miami County, Ohio

The FHLBank has demonstrated its commitment to affordable housing over and above its mandated Affordable Housing Program. While I have not reviewed the proposed regulation, it 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 urge you to reconsider this regulation that will result in lower FHLBank profits and, by extension, fewer residents gaining access to decent housing through Habitat for Humanity.

Sincerely,

DeWayne Smith  
Board of Trustees President

DS/eb

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