



S Y N E R G Y
T R E A T M E N T C E N T E R S

BOARD OF DIRECTORS

June 14, 2006

Stewart G. Austin
Chairman of the BoardFederal Housing Finance Board
1625 Eye Street, NW
Washington, DC 20006Roland P. Taylor, AIA
TreasurerGeorge Dobbins, Jr.
SecretaryAttention: Public Comments
Excess Stock Restrictions and Retained Earnings Requirements for The
Federal Home Loan Banks
#3069-AB30

Jane J. Barton

S. Terry Canale, M.D.

Lawrence L. Crane, Jr.

R. Malior Ford

Richard J. Hussey, Jr.

Ben Jackson, Jr.

Martin J. Lichterman, Jr.

D. Stephen Morrow

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 Synergy Treatment Centers, a nonprofit organization providing housing services to clients with alcohol & drug addictions in Memphis, Tennessee. My organization has partnered with the FHLBank to provide crucial building renovations to our non-profit residential treatment center. We typically serve over 150 individuals with chronic alcohol & drug addiction each year. At the time we received this grant, no other funding sources were available to us. Had FHLBank not come to our aid, our facility's future may have been jeopardized. We are looking forward to requesting additional opportunities from FHLBank in the years to come and therefore urge you to consider the far-reaching social ramifications of your proposed rule.

EXECUTIVE DIRECTOR

Walter Williams

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 FHL Bank.

CLINICAL DIRECTOR

Kerleska Conerly, LCSW

The FHL Bank 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 FHL Bank, reduce its profitability, increase costs to its members, all to no apparent benefit. Why penalize the FHL Bank 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 FHL Bank profits and, by extension, fewer residents gaining access to decent housing.

Sincerely,


Walter Williams
Executive Director

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