



June 7, 2006

Hope
Services, Inc.

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 capitol rule on the FHLBank of Cincinnati and its ability to support its housing mission. I represent New Hope Services Inc, a nonprofit organization providing housing services to low income and at-risk families in Southern Indiana. My organization has partnered with the FHLBank to provide multi family and single family units.

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.

Sincerely,
Marcia Hubbert
Marcia Hubbert
Senior V.P./COO-LLC

New Hope Center
Jeffersonville, IN

Kids Place
Scottsburg, IN

Futures UnLTD.
Austin, IN

Anderegg Center
Jeffersonville, IN

Corporate Offices
725 Wall Street
Jeffersonville, IN 47130
812-288-8248
FAX 812-288-1206
FAX 812-285-8322
www.newhopeservices.org

