



**Habitat**  
for Humanity®  
of Greater Canton

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June 8, 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 Habitat for Humanity of Greater Canton, a nonprofit organization providing housing services to low-income families in the greater Canton area. My organization has partnered with the FHLBank to provide approximately 160 of our 250 + houses in our area, to families who would have no other option for homeownership. Our partnership began in 1994 with more than \$1,218,500, in total funding since that time. This funding has been crucial in our mission to eliminate poverty housing from our area and to help families realize the dream of homeownership.

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,

Beth J. Lechner  
Executive Director

*Building homes,  
building hope,  
building community*

