



LOURDES



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June 4, 2006

Federal Housing Finance Board
1625 Eye Street, NW
Washington, DC 20006

Attention: Public Comments
Excess Stock Restrictions & 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 FHL Bank of Cincinnati and its ability to support its housing mission. I represent the McAuley Village, which houses two homes, helped by the FLHB. These are HUD independent housing for elderly on limited income in Paducah, KY. We have partnered with the FHLBank to provide fifty-nine (59) apartments.

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. Working with us, the funds provided important environmental and safety items, which we would have been unable to afford with only the HUD funds.

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.

May god bless you and your work for the poor.

Sincerely,

Marie Moore, RSM

CC: Sen. Mitch McConnell; Sen. Jim Bunning; Rep. Edward Whitfield

