



PROFESSIONAL CARE SERVICES
of West TN, Inc.

June 21, 2006

REPLY TO:

COVINGTON OFFICE:

1997 Highway 51 South
Covington, TN 38019
(901) 476-8967 p
(901) 476-2498 f

RIPLEY OFFICE:

408 Commerce Street
Ripley, TN 38063
(731) 635-3968 p
(731) 635-4215 f

SOMERVILLE OFFICE:

12615 South Main
Somerville, TN 38068
(901) 465-9831 p
(901) 465-8070 f

DYERSBURG OFFICE:

2380 Henry Street
Dyersburg, TN 38024
(731) 287-1794 p
(731) 287-1795 f

BROWNSVILLE OFFICE:

130 West Main Street
Brownsville, TN 38012
(731) 772-9002 p
(731) 772-9767 f

MILLINGTON OFFICE:

6281 Navy Road
Millington, TN 38053
(901) 873-0305 p
(901) 873-0306 f

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

ATTN: 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 Federal Home Loan Bank of Cincinnati and its ability to support its housing mission. I represent Professional Care Services of West TN, Inc., a nonprofit organization providing housing services to low to medium income level seriously and persistently mentally ill individuals/families in rural West Tennessee. My organization has partnered with the Federal Home Loan Bank to provide 3 units of affordable housing. Please reference project # 200202-0110/0149/0150/0151.

Federal Home Loan Bank 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 Federal Home Loan Bank.

The Federal Home Loan 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 Federal Home Loan Bank, reduce its profitability, increase costs to its members, all to no apparent benefit. Why penalize the Federal Home Loan Bank member lenders, housing partners and our at-risk clients? With few state and federal housing dollars available for targeted affordable housing, I strongly urge you to reconsider this restrictive regulation that will result in lower Federal Home Loan Bank profits and, by extension, fewer residents gaining access to decent housing.

Sincerely,

Jim Causey, Ph.D.
Executive Director

HELPING HANDS IN OUR COMMUNITY