

# VIRGINIA BANKERS ASSOCIATION

4490 Cox Road  
Glen Allen, Virginia 23060

October 31, 2022

The Honorable Sandra Thompson, Director  
Federal Housing Finance Agency  
Constitution Center  
400 7th Street, SW  
Washington, D.C. 20219

**Re: FHLBank System**

Dear Director Thompson:

The Virginia Bankers Association (“VBA”) represents banks of all sizes and charters and has served as the organized voice for Virginia’s \$881 billion banking industry and its 45 thousand employees since 1893. We appreciate the opportunity to comment, and write to voice our support of the Federal Home Loan Bank (FHLBank) system and its current regional structure.

Over their 90-year history, the FHLBanks have provided critical liquidity to our member banks, including many smaller community lenders that often do not have access to other sources of low-cost funding. This is especially true in stressed market environments. Virginia has 58 commercial banks and their advances outstanding at the end of 2021 totaled \$22.4 billion. Advances from the FHLBanks for the past decade total over \$760 billion. Additionally, Virginia FHLBank members utilize the FHLBanks Affordable Housing Program (“AHP”), which provides funding for the purchase, construction, or rehabilitation of (i) owner-occupied housing for low- or moderate-income households and (ii) rental housing where at least 20 percent of the units are affordable for and occupied by very low-income households. In 2021, more than \$1.7 million in FHLBank AHP funds were loaned for 212 owner and rental units of affordable housing in Virginia. Since 1990, more than \$164 million in total FHLBank AHP funds were distributed, helping to build or rehab more than 26,000 Virginia housing units.

The cooperative nature and regional structure of the FHLBanks enable each FHLBank to respond to local needs, and design products and services tailored to the local communities served by their members. We believe it is critical that the regional nature of the FHLBanks be maintained to enable each FHLBank to continue to effectively serve its members; that current members continue to have access to the FHLBanks; and, any changes to FHLBank membership or structure enhance the value and importance of the FHLBanks to the members and communities they serve.

Thank you for the opportunity to provide comments. If you have any questions, please feel free to contact me at 804-819-4701 or [bwhitehurst@vabankers.org](mailto:bwhitehurst@vabankers.org).

Sincerely,



Bruce T. Whitehurst  
President & CEO