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 at 100: Focusing on the Future Initiative

Dear Director Thompson:

Thank you so much for the work you have done and are doing for the people of Hawai`i. The Hawaii Banker Association appreciates it very much. As we are a trade association serving the seven Hawai`i banks and one bank from the continent, we cannot speak for each specific bank, but we are quite aware and appreciative of the efforts of the Federal Home Loan Bank of Des Moines in strengthening the goals of our State. For example, affordable housing is one of the most critical goals of our state. In that effort, the Federal Home Loan Bank of Des Moines tremendously helps us.

The data I provide is as of the end of 2021 which is the latest available annual data. Affordable housing is a very important goal in Hawai`i, and the executive and legislative branch of our state is likely to consider affordable housing one of our most important priorities, if not the most important priority for Hawai`i. There are studies which rank Hawai`i as the most expensive state in the nation to live in. As of December 2021, the median price of a home was $1,006,000 but the median household income was a mere $83,173. It is logical that affordable housing is a priority to address and any support that we receive is heartwarming. In that effort, the Federal Home Loan Bank of Des Moines, has been instrumental over the years.

In its Affordable Housing Program initiated by the Federal Home Loan Bank of Des Moines in 1990, Hawai`i has been blessed with 2,299 homes and grants of $21.6 million. Since our median income is vastly lower than the median price, the importance of down payment enables home buyer to buy a home of their choosing without paying private mortgage insurance. Thankfully, there have been programs to assist potential homeowners in receiving down payment assistance. The Federal Home Loan Bank of Des Moines has been helpful in providing down payment products which resulted in 874 homes.

To further illuminate the aid of the Federal Home Loan Bank of Des Moines, the State enjoyed $191 million in advances in 2021, and $275.2 million in mortgage programs in 2021 and $52.5 millions in letter of credit.

Mahalo for this opportunity to share our thoughts with you and we heartily emphasize the continued importance of the Federal Home Loan Bank of Des Moines to Hawai`i. We hope to be forever grateful to the critical and important role they play to continue support of our residents.

Very Truly Yours,

Neal K. Okabayashi

Neal K. Okabayashi

Executive Director

Hawaii Bankers Association