The Honorable Sandra L. Thompson

March 15, 2023

Re: Comprehensive Review of the Federal Home Loan Bank System

Dear Director Thompson,

Thank you for the opportunity to share my thoughts about the FHLB Bank, a valued partner of my credit union. I am the President/CEO of TruWest Credit Union, a $1.5 Billion financial institution in Phoenix, Arizona, owned by our 90,000 members.

As a not-for-profit financial cooperative, our members look to us for low-cost credit. Just over 33% of our $1.16 Billion loan portfolio is 1st mortgages to our members, with another 23% 2nd mortgages. 34% of the portfolio is auto loans, with the remainder primarily consumer credit cards, apartment loans, and loans on small office properties. We have been members of the FHLB of San Francisco for nearly two decades.

During that time the FHLB has been there for us as an important source of liquidity. They were there for us during the Great Recession, providing a critical source of liquidity when we and the credit union industry needed them most. They allowed us to provide mortgage, auto, and other loans to our members during that critical time, when many other lenders were withdrawing from our market, and they are here for us today, during these uncertain times when liquidity concerns are creating yet another set of bank failures. The day the closure of Silicon Valley Bank was announced, the FHLB sent an e-mail to its member/clients stating, “As we have for more than 90 years, the FHLBank System, including the San Francisco Bank, stands ready to assist our members in any economic environment.”

They have also provided WISH loan down payment matching fund grants to our members of modest means, allowing us to assist over 670 families purchase their first homes. Purchasing a home provides entrée to the middle class for these families, impacting not just them but their generations to come. The majority of our WISH recipients are of Black and Hispanic origin, addressing social injustice and income inequality in our community in a tangible way.

I am grateful for the support the FHLB provides to my 90,000 members and to our community, and ask that you consider their positive impact as you conduct your comprehensive review of the FHLB system.

Alan Althouse

President/CEO

TruWest Credit Union

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