

# WNC & ASSOCIATES, INC.

June 19, 2006

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

Re: Federal Housing Finance Board Proposed Rule  
RIN Number 3069-AB30  
Docket Number 2006-3

I would like to comment on the proposed capital rule referenced above and some of the effects it would have on affordable housing.

There are many areas of concern, but I would like to share just a few:

- This proposed rule will reduce overall contributions to Affordable Housing Program by reducing the profitability of the FHL Bank System
- Limiting dividend payments could reduce members of the FHL Bank System
- Small financial institutions would be directly effected if FHL Banking credit is raised. This will also affect borrowing costs for already overburdened working families trying to find reasonable mortgage funding.

As a longstanding member of NHC I request that the Finance Board reconsider and withdraw the proposed rule.

Sincerely,



Wilfred N. Cooper, Sr.  
Chairman of the Board  
WNC & Associates, Inc.

