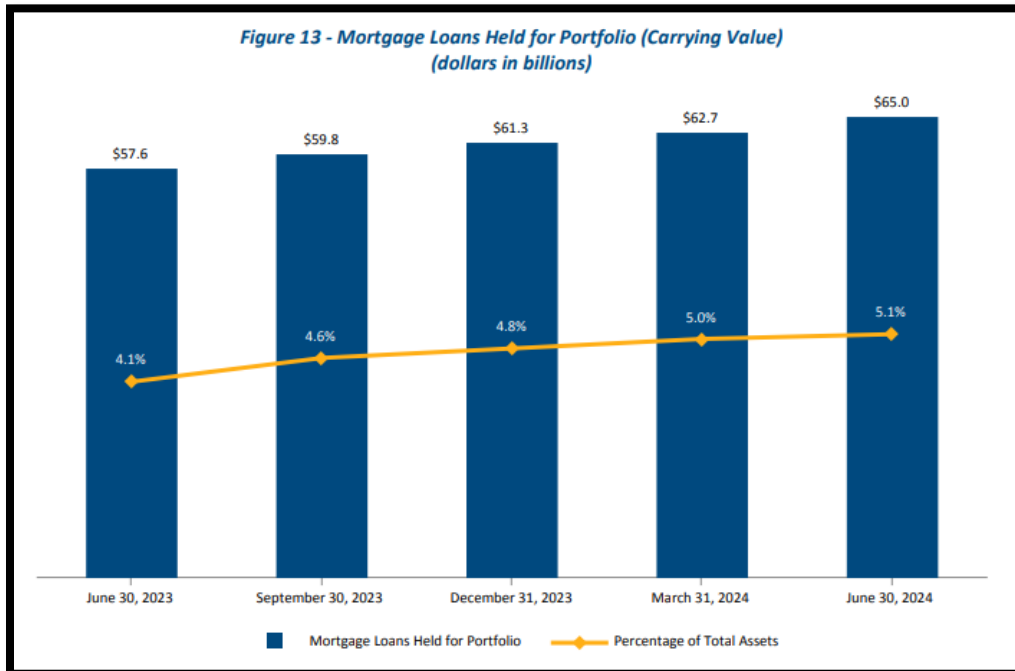




Federal Home Loan Banks report strong financial results for the second quarter of 2024

The Federal Home Loan Banks (FHLBanks) support housing finance and community development through member banks, credit unions, CDFIs, insurance companies, and savings institutions. While affordability challenges persist, the FHLBanks ensured members had the liquidity needed to support homeowners and renters in the second quarter of 2024.

FHLBanks’ mortgage purchases and advances increased during the quarter, helping make homeownership and rental housing more affordable. Mortgage loan purchases (held in portfolio) saw a year-over-year increase of \$7.4 billion, reaching the highest level in the past five quarters. Advances increased by \$17.85 billion and as of the end of the quarter, more than \$1.79 trillion in single-family mortgages were pledged as collateral for advances.¹ Each advance that is originated supports additional lending, and the FHLBanks’ reputation as a reliable liquidity provider gives members holding single-family mortgage collateral on their balance sheets the confidence to lend knowing that additional funding is available if needed.



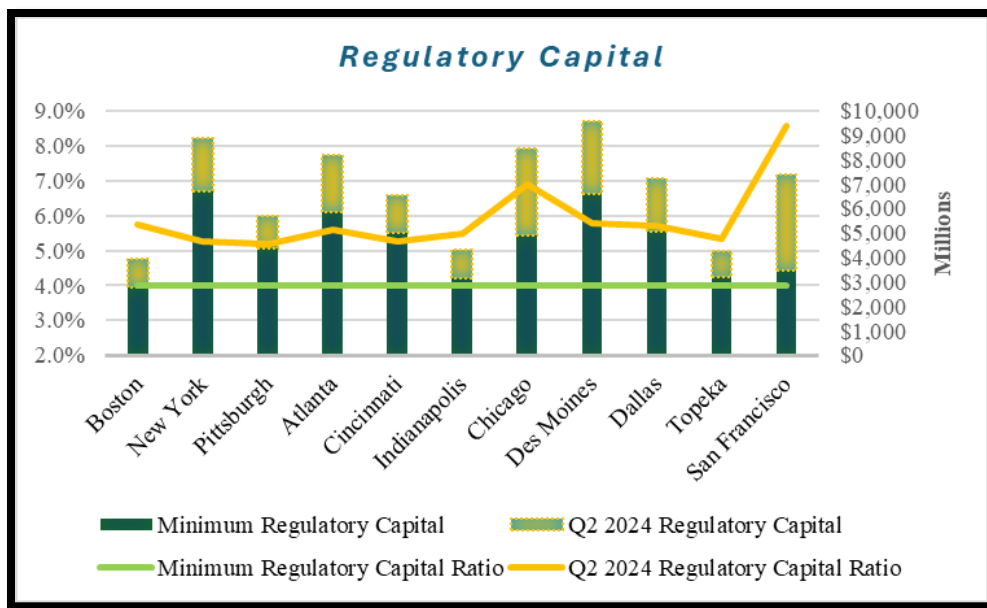
Source: Federal Home Loan Banks Office of Finance

¹ https://www.fhlp-of.com/ofweb_userWeb/resources/2024Q2CFR.pdf

In addition to mortgage purchases and advances, the FHLBanks support affordable housing and community development through the Affordable Housing Program (AHP) and voluntary programs at each of the 11 FHLBanks. AHP assessments through the second quarter totaled \$378 million, \$4 million above the second quarter of 2023, and \$23 million above total AHP assessments in calendar year 2022!

The increased AHP funding in 2023 and 2024 highlights the FHLBanks primary role as liquidity providers. The FHLBanks’ foundational mission is to provide liquidity to members and to support housing and community development. The more the FHLBanks do in day-to-day liquidity operations, the more they have available for grant funding. As noted in [prior press releases](#), the FHLBank System voluntarily committed to providing 50% more funding, on top of AHP, and expects to award a record amount, more than \$1 billion, of AHP and voluntary program funding in 2024.²

FFHA requires the FHLBanks to maintain a regulatory capital ratio of at least 4.0 percent. At the end of the second quarter, the FHLBanks regulatory capital totaled \$74.4 billion with a regulatory capital ratio of 5.83 percent.³ As shown below, while each bank has a buffer, the capital buffer that has accumulated over time is not uniform across the eleven FHLBanks. Holding regulatory capital, including retained earnings, is crucial for safety and soundness, as it provides a buffer against losses and helps maintain stability during economic downturns. The capital buffer helps ensure the FHLBanks can meet member liquidity needs, which instills confidence in members, the FHLBank system, and U.S. housing markets.



Source: Council of Federal Home Loan Banks

For more, click [here](#) for the FHLBanks’ Q2 2024 Combined Financial Report.

² <https://fhlbanks.com/federal-home-loan-banks-anticipate-1-billion-in-support-for-affordable-housing-and-community-development-initiatives-in-2024>