



April 22, 2010

Alfred M. Pollard, General Counsel
Office of the General Counsel
Fourth Floor
Federal Housing Finance Agency
1700 G Street, NW
Washington, D.C. 20552

**RE: Public Comments/RIN 2590-AA28
Minority and Women Inclusion**

Dear Mr. Pollard,

On behalf of the National Association of Hispanic Real Estate Professionals (NAHREP), I would like to express our support for the overall efforts taken in proposed rule RIN 2590-AA28 to promote diversity in all activities conducted by the Federal Housing Finance Agency, the Federal National Mortgage Association, the Federal Home Loan Mortgage Corporation, and the Federal Home Loan Banks. In particular, NAHREP strongly applauds the provisions of RIN 2590-AA28 which seek to promote the inclusion of minority-owned businesses in the contracting processes of the regulated entities and the FHFA. Furthermore, we believe that, for the sake of clarity, streamlining the requirements of 12 U.S.C. 1833e, 4520, and Executive Order 11478 into a single rule is both a practical and necessary step. However, although we are generally supportive of most areas of proposed rule RIN 2590-AA28, we would like to take this opportunity to express our concerns over two areas of the rule that we feel can be improved.

1. Ensuring the Reliable Certification of Minority-, Women-, or Disabled-Owned Businesses

Section 1207.1 explicitly defines the terms by which a business may be considered to be minority-, women-, and disabled-owned for the purposes of the proposed rule. However, the rule as written remains unclear as to what if any mechanism will be used to verify the minority-, women-, or disabled-owned status of a contractor. Will businesses be allowed to self-certify? Does the FHFA intend to assume this responsibility? We feel that in order to minimize the potential for fraud or error, the FHFA should include language in the final rule that clarifies the methods by which a business may be permitted to obtain minority-, women-, or disabled-owned certification, unless this certification is determined internally by the Office of Finance and the regulated entities. If not, then NAHREP recommends that such status is conferred and/or validated by an independent third-party, whose judgment would remain reliable and objective.

2. Extending Efforts to Promote the Inclusion of MWDOBs to the Subcontracting Process As Well

NAHREP feels that one of the strongest aspects of proposed rule RIN 2590-AA28 is the overall specificity of the reporting requirements imposed on both the regulated entities and the Office of Finance that will allow the FHFA, in its own words, to identify “specific types of information that are particularly useful in analyzing the demographic composition of workforces at every level,” including “the diversity among the contractors used by regulated entities and the Office of Finance.” The rule then goes on to define that information as data which shows the number of contracts entered with MWDOBs, the overall amount paid to such contractors, and the annual total of amounts paid to MWDO contractors as a percentage of expenditures for a given year. We feel that these particular requirements serve the FHFA’s stated goals well, and hope that they will be included in the final rule.

However, the impact of this rule could be diluted if a MWDOB was to function more as a general contractor, and subcontracted much of its work to non-MWDOB firms. For this reason, we believe the reporting section of the proposed rule should be amended so that a MWDOB which receives a large contract would be required to report on its subcontracting activities as if it were a regulated entity under the rule. In doing so, we feel that the FHFA would be equipped with information that is truly comprehensive, which would then allow it to adjust its policies designed to implement Sections 1207.2 and 1207.21 of the proposed rule accordingly.

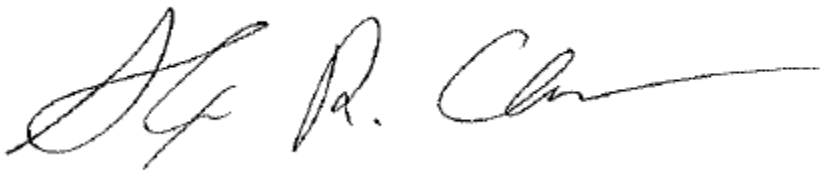
Conclusion

NAHREP appreciates the opportunity to comment on this important topic. If you have any questions concerning these comments, or if we may otherwise be of assistance in relation to this matter, please do not hesitate to contact the undersigned.

Sincerely,

Alex Chaparro

NAHREP Chairman

A handwritten signature in black ink, appearing to read "Alex R. Chaparro". The signature is fluid and cursive, with a long horizontal stroke at the end.