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expanding economic opportunity

July 9, 2009

Alfred M. Pollard
General Counsel
Federal Housing Finance Agency
Via e-mail: RegComments@fhfa.gov

Attention: Comments/RIN 2590-AA18

Dear Mr. Pollard:

The Corporation for Enterprise Development (CFED) appreciates the Federal Housing Finance Agency's (FHFA) prompt publication of the proposed rule that would implement the 2008 Housing and Economic Recovery Act (HERA) requirement that certified community development financial institutions (CDFIs) are eligible to join Federal Home Loan Banks (FHLBanks). In general, the proposed rule is well-considered and designed to realize congressional intent to enable CDFIs to become members of FHLBanks. We believe the FHFA has proposed amendments to the eligibility criteria that recognize the unique characteristics of CDFIs and the valuable contribution they make to their communities, while remaining sufficiently rigorous to comply with the statutory requirements. We commend the considerable, thoughtful and insightful work of the Agency staff to develop this proposed rule and wish to provide our comments.

CFED is a national nonpartisan, nonprofit organization dedicated to expanding economic opportunity to include all people. We believe such economic opportunity will bring greater social equity, alleviate poverty and lead to a more sustainable economy. As a leader in economic development for nearly three decades, CFED collaborates with diverse partners at the national, regional, state and local levels. We bring together community practice, public policy and private markets in new and effective ways.

Our comments address three specific areas:

1) The positive impact of CDFI membership for FHLBank mission investment.
2) Setting CDFI membership goals for each FHLBank.
3) Setting appropriate membership criteria including stipulating that CDFIs only engaged in community economic development or business lending be eligible for membership as a CFI.

I. CDFIs will increase mission investment of FHLBanks' resources

For more than a decade, CFED has advocated that this authority is necessary to better meet the credit and investment needs of low-income rural, urban and inner-ring suburban communities. These communities are frequently ignored or abused by the market, despite the potential for profitable development and the desire to build a more inclusive economy. As the nation seeks to pull itself out of a serious recession and financial institutions seek to return to profitability, FHLBanks should play a critical role in providing capital-enhancing resources.

Given the credit conditions across the country, demand for CDFI products and services is increasing. However, one common problem facing non-depository CDFIs is that they lack access to long-term funding, limiting their ability to provide housing and community economic development finance to their communities. The vast majority of CDFIs rely on investments by financial institutions. Due to these institutions' current precarious state, much of that investment is declining. FHLBank membership will improve this cashflow situation so that CDFIs can meet the credit needs of an economy seeking recovery.

As government-sponsored enterprises, FHLBanks have a mission to support local community revitalization efforts. CDFIs serve communities that are underserved by conventional financial institutions and offer products and services that are not available from conventional financial institutions. As noted in the rule, "CDFIs' fundamental mission is to stabilize communities…. [D]espite the typical CDFI's relatively small asset size, studies demonstrate meaningful impact to low-and-moderate income communities by these intermediaries. …[there is a] historically lower delinquency rate among CDFI-originated loans, which have performed as well as or better than prime loans." In short, when CDFIs join FHLBanks, they will enable FHLBanks to better meet their affordable housing and community economic development mission and improve profitability.

As the FHFA begins to administer § 1212 of HERA: Public Use Database, Reports to Congress, we urge that improvements in mission investment be made. CDFI membership can help in this regard. For example, despite years of requests, there still remains no analysis of how FHLBanks meet their community economic development and affordable housing mission requirements beyond offering CIP and allocating AHP funds. FHLBanks publish their community lending plans, which the regulator posts online. Most, but not all, of the links function. However, there is no analysis or benchmark of appropriate goals, nor of how close FHLBanks came to the goals that they set. No goals are set by their regulators. In too many cases, the individual FHLBank's goals are vague and do not offer a specific target- nor achieved result -- for affordable housing and community economic development investments.

In a review of each FHLBanks' community lending plans, we note an increase in the data and information available. This results in some good news and useful data although none compares actual investments to the needs of the community:

- The FHLBank of Boston established a clear target of 10-20% increase in growth in CDA. It also specifies the number of projects and the disbursement amount for years 2006-08.
- The FHLBank of Chicago notes the number of projects and total invested in CEDA and the MPF Endowment in 2007-2008.
- The FHLBank of Dallas notes the funds borrowed and projects financed under the EDP in 2007-2008 (although it appears there may be errors in the math).
- The FHLBank of Des Moines notes the funds borrowed under CICA and CIP compared to the goal but not the number of projects.
- The FHLBank of Pittsburgh has useful data including both the goal and the amount funded.

However, too many times, the data remains confusing, contradictory or absent. Too many of the FHLBanks' community lending plans lack clarity on both the goals and the disbursement of funds for affordable housing and community economic development investments for all of their initiatives and letters of credit. There is also news of suspension of previous initiatives including

- The FHLBank of Atlanta has discontinued its EDGE and predevelopment fund programs.
- The FHLBank of Cincinnati ended its Home Protect program.
- The FHLBank of Seattle suspended its Access program.

II. Set Goals for CDFI Membership for each FHLBank

To ensure a strong and inclusive economic recovery, aggressive enforcement of the CDFI membership requirement is needed. CDFIs have a proven track record in meeting the capital needs for affordable housing, small business investment and community facilities improvement and expansion that FHLBanks and their members – and the broader financial sector -- have failed to adequately address. The FHFA should set goals ensuring that every FHLBank successfully enrolls at least three strong CDFIs as members by the end of 2011. We expect that at least ten percent of certified CDFIs to become members by the close of 2011. We recognize regional variations, in regions with strong CDFIs and larger populations, many should become members; while in regions with few CDFIs, we expect only a few to become members by the start of 2012.

The FHFA should require FHLBanks to analyze and publish information regarding the implementation of this law. Each FHLBank should report the number of CDFIs that applied for membership. Each should also report acceptance rates and include summaries of reasons for denial of membership. Information on CDFIs' access to advances should also be made available to the public. The Agency should set gradual annual benchmarks for each FHLBank to meet a participation goal. All information related to CDFI membership should be included in the Community Lending Plans.

Specifically, we would urge the regulator to provide guidance and monitor implementation of the stock purchase requirement (§ 1263.20). This section requires applicants to meet the stock purchase requirements of the regional FHLBank's Capital Plan. Nearly all of the 12 FHLB Regional Banks have a Capital Plan. FHLBanks and their regulators should provide technical assistance to CDFIs by setting and assisting with stock purchase requirements. We are hopeful that appropriate funds for stock purchase can be found from CDFI profits, capital, mission-related investments from foundations and other sources that may be new to FHLBanks. If there are structural requirements that do not work for the vast number of CDFIs, we urge the FHFA to share these concerns with the public and consider making changes in either law or regulation to ensure CDFIs' continued access to FHLBanks. If the stock purchase requirements are prohibitive, the intent of the law will not be realized.

III. Set Appropriate Membership Criteria

We commend the FHFA for providing clear definitions with which we generally agree. The Agency staff clearly understands CDFIs and their business model. Criteria for eligibility seem quite clear, appropriate and consistent with legislation and the business model of CDFIs. We are hopeful that the application process should not be inordinately burdensome. In particular:

a. No need for community support requirements unique to CDFIs

We concur that any CDFI that becomes a member of an FHLBank should be assumed to satisfy the current community support requirements. No community support requirements unique to CDFIs are necessary. The CDFI Fund along with the IRS and other federal agencies provide adequate oversight to ensure compliance.

b. Require appropriate financial documentation

We appreciate the Agency's recognition that CDFIs may not be able to provide FHLBanks with documentation similar to examination reports or periodic regulatory financial reports to aid the FHLBanks in assessing their financial conditions. Such a requirement would effectively preclude FHLBank membership for most of the CDFI industry, defeating the congressional intent of extending FHLBank membership eligibility to CDFIs. Thus we agree that CDFI applicants should not be required to meet the inspection and regulation requirements similar to a financial institution member. Many CDFIs operate quite successfully without formal government oversight.

We do understand that there needs to be a thorough vetting of a CDFI's financial position. We recognize that although a CDFI may have been certified by the CDFI Fund, that process does not include an assessment of its financial condition. Moreover, the type and extent of available financial documentation will differ for the various categories of CDFIs. Some CDFI loan funds and venture capital funds may be able to obtain private ratings that would be analogous to those relating to depository institutions, however, this information is not routinely generated and therefore may be impossible or prohibitively expensive to obtain.

Thus, we support FHFA's proposal to establish separate financial documentation requirements and approval standards for CDFIs. Our comments below relate to specific criteria:

- We support submission of an independent audit that has been conducted within the prior year by a certified public accounting firm, in accordance with generally accepted auditing standards, as well as more recent quarterly financial statements, if those are available.

- We agree that an applicant should submit financial statements for the two years prior to the most recent audited financial statement. All such financial statements must include income and expense statements, statements of activities, statements of financial position and statements of cashflow. The financial statements for the most recent year must also include detailed disclosures or schedules relating to the affiliates of the CDFI applicant, the financial position of each affiliate, each affiliate's lines of business and the relationship between the affiliates and the applicant CDFI.

- We recommend that the Opportunity Finance Network's CARS product be acceptable to all FHLBanks for use in their analysis.

- We support the requirement to show positive net income for two of the three most recent years as a fair standard and one which most CDFIs should be able to meet. Years are better suited than quarters to CDFIs' fiscal requirements. However, we note that CDFIs that receive multi-year grants may see their income skewed in subsequent years. We recommend that CDFIs be able to provide additional years if they wish to better demonstrate their financial strength.

- We affirm the 30% reserve standard for loans that are delinquent 90 days or more as reasonable for a loan portfolio.

- We support the proposed rule's requirement that an applicant's operating liquidity ratio be no less than 1.0 for the current year (the year during which a CDFI applies for membership) as well as in at least one of the two years preceding the current year.

- We concur that the self-sufficiency or sustainability ratio is not an important measure for FHLBank membership. There are many different measures, none of which will be ideal for the many different kinds of CDFIs that will wish to become members of the FHLBank System. Some CDFIs' work is grant funded, which would reduce the self-sufficiency ratio. For example, a CDFI may receive a multi-year grant to operate an IDA program or Volunteer Income Tax Assistance site. The entire grant might be received in the first year, resulting in high income, but paid out over three years, resulting in lower income in subsequent years. A self-sufficiency ratio would create a significant disincentive for CDFIs to undertake important grant-funded policy work. Moreover, while a self-sufficiency ratio is a good thing for CDFIs to monitor for their own purposes, it is not a reliable predictor of financial condition because CDFIs maintain the flexibility to drop grant-funded programs when the grants are no longer renewed. These indicators should not be included as part of the minimum financial condition standards for CDFI members.

- In general, we concur that bank holding companies certified as CDFIs should be excluded from CDFI membership alone because the federally insured commercial bank which owns it is already eligible for FHLBank membership in its own right. However, we note that there might need to be some flexibility. We note the example of the National Consumer Cooperative Bank, an affiliate of NCB Capital Impact and a partner of CFED's. It was congressionally chartered for the public mission of financing worker-owned and consumer-owned cooperatives. NCB Capital Impact has a long track record of effectively serving low-income communities that considerably pre-dates the term "CDFI. However, it has to date been excluded from official CDFI certification because of concerns that if NCBCI is certified, then for-profit bank holding companies might create affiliates to gain access to CDFI Fund resources. We suggest that CDFIs that are upper-tier holding companies should be allowed membership.

  In the unlikely event that an affiliate of a for-profit bank seeks access to CDFI Fund resources, the Fund could make the appropriate distinctions without great difficulty. This is relevant to the Agency's rulemaking because it demonstrates the need to take a flexible approach and not assume that all bank holding companies should necessarily be treated similarly.

- We note that FHLBanks can assess the character of a CDFI applicant's management through analysis of its Form 990, maintenance of its 501(c)(3) status and annual audits.

We do have concerns about a few recommendations in the proposed rule. Our recommendations are:

a. **CDFIs are CFIs. Waive the 10% home financing policy requirement for CDFIs whose primary business is community economic development, small business, small agri-business or small farms lending.**

CDFI applicants should not be required to have at least 10% of their assets in residential mortgage loans. The law clearly provides flexibility for financial institutions that do not engage in housing finance activities to become members. Specifically:

Section 4 [12 U.S.C. §1424] Eligibility for Membership includes:

- *(C) makes such home mortgage loans as, in the judgment of the Board, are long-term loans (except that in the case of a savings bank, this subparagraph applies only if, in the judgment of the Board, its time deposits, as defined in section 19 of the Federal Reserve Act [12 U.S.C. § 461], warrant its making such loans).*
- *(4) LIMITED EXEMPTION FOR COMMUNITY FINANCIAL INSTITUTIONS. A community financial institution that otherwise meets the requirements of paragraph (2) may become a member without regard to the percentage of its total assets that is represented by residential mortgage loans, as described in subparagraph (A) of paragraph (2).*

It is our assertion that this exception for savings banks should also apply to CDFIs that have a business model that focuses on community economic development activities. This is without a doubt the single most important change we seek for the final rule.

We concur with NCB Capital which noted that at the time CFIs were added to the Bank Act, membership was limited to FDIC-insured institutions. The statutory change that makes CDFIs eligible for membership is intended to allow CDFIs to have access to the FHLBanks on the same terms as FDIC-insured institutions. It would be inappropriate to make such a distinction between CFIs and CDFIs as both are small and serve a community development need. Furthermore, the statute only requires that "insured depository institutions" meet the 10% test in the first place. It would be quite an anomalous and unfair result to apply the 10% test to CDFIs and then to deny CDFIs access to the advances and collateral provisions granted to CFIs because they are not insured depository institutions. Clearly, the outcome most consistent with congressional intent is to treat CDFIs just like CFIs for all purposes.

We base this on congressional intent to expand Federal Home Loan Bank resources toward economic development. Clearly, over the past decade—beginning with the Gramm-Leach-Bliley Financial Services Modernization Act of 1999 (GLBA) and then with HERA—Congress has chosen to proactively increase FHLBank investment in economic development. GLBA included language specifically designed to encourage financing for small business, agri-business and small farms. Since its enactment, CFED staff has sought to expand that list to include community economic development activities. Over the years, we met with numerous members of Congress and congressional staff to discuss the need for financing for infrastructure improvements, charter schools, child care facilities, business improvement districts and other community economic development activities not clearly defined in GLBA. CDFIs are currently the financial institutions most likely to fund a number of these critical community needs.

CFED sought and witnessed the addition of language including community economic development activities into §1211 of HERA. Thus, we believe that the community financial institutions exemptions were meant to include CDFIs that did not engage in housing activities. While the law does note that CFIs must be FDIC-insured depositories, we believe Congress never intended for CDFIs to be excluded from membership if they did not provide long-term single family mortgage loans. In FHFA parlance, CDFIs should be accepted as community financial institutions.

b. Lower the net asset ratio to 10%

The proposed rule (§1263.16 (b)(2)) would require that a CDFI applicant have a ratio of net assets to total assets of at least 20%, which is intended to address the capital adequacy of the CDFI. "Net assets'' is calculated as the residual value of assets (including restricted assets) over total assets and is to be based on information derived from the applicant's most recent financial statements. We believe that the 20% ratio of net assets to total assets as a standard is high for non-depository CDFIs and at odds with the way CDFIs are funded and apt to use advances. The background discussion of this requirement in the proposed rule indicates that it is meant to address the capital adequacy of CDFI members. However, this asset rule is much higher than that required of other financial institutions.

In addition, we concur with the Opportunity Finance Network's comments that CDFIs' assets frequently derive from borrowed capital such as equity equivalent investments which skew the ratio. In addition, grants and borrowing from the FHLBank will also unfairly skew the ratio. We recommend lowering the standard to 10%.

We approve of FHFA's approach to include restricted assets within net assets. It is consistent with the approach used by the CDFI Fund and others in the CDFI industry, as well as with the accounting standards for nonprofit entities. Restricted assets typically appear on CDFI balance sheets when donor or government funds are specifically designated as capital, and are thereby ''restricted'' as to their possible uses. When used in this manner, the capital may be classified as restricted, but it is nonetheless available to absorb any losses.

c. Allow CDFIs incorporated under tribal law to participate

It should be noted that a growing number of CDFIs have been formed by Native American groups. These entities are neither chartered under state nor federal law, but rather tribal law. The FHFA should include CDFIs charted by tribal government in FHLBank eligibility. This would require adding tribal government to § 1263.7 states: "...in the case of a CDFI applicant, is incorporated under state law."

d. Remove the home financing documentation requirement

The requirement that applicants not subject to the CRA—such as CDFI applicants—must provide a written justification, acceptable to the FHLBank, explaining how and why their home financing policy is consistent with the Bank System's housing finance mission is unnecessary. We can assume that any certified CDFI already meets the CRA requirements. The CDFI Fund requires that an organization have an affordable housing and/or community economic development mission serving a disadvantaged community or population in order to be certified. In addition, a CDFI establishes that it has been recognized by the Internal Revenue Service as a "charity" having a public purpose under section 501(c)(3) of the Internal Revenue Code or where the CDFI has been congressionally chartered to serve a "public purpose," then there is no need to meet a CRA requirement. It is redundant and burdensome to require additional paperwork.

e. Reframe the rebuttable presumptions

The Membership Regulation (Rebuttable Presumptions—§925.17) allows presumptions of compliance or noncompliance with certain membership eligibility requirements to be rebutted, upon meeting certain requirements set forth in that regulation. We believe this presumption is backwards. The burden of proving that a CDFI is not eligible should fall on the FHLBank, not the CDFI. If an entity is a certified CDFI, possesses a valid 501(c)(3) status and 990 documents, is in good standing within their state and meets the requirements set forth by the final rule, there should not be a negative presumption.

f. Include an expansive definition of housing

We are concerned that the focus on single-family housing mortgages misses the niche markets that CDFIs have successfully served. We request that the final rule provide access for CDFIs that primarily finance multi-family housing. In urban areas, the real demand is for apartment, condominium or cooperatives that keep housing prices affordable and are located near transit. By their nature, multi-family loans are acquisition loans, which are frequently less than five years. To meet our nation's environmental, economic and affordable housing needs, multi-family housing finance must be included.

In addition, CFED is a co-owner of ROC USA™, which invests in manufactured housing communities (mobile home parks). These are home to 3.5 million people. We are setting up a CDFI, ROC USA™ Capital, to fund conversions of manufactured housing communities to resident-owned cooperatives. We hope to ensure that our CDFI can join and participate as a member of an FHLBank. As such, we wish to ensure the regulations are clear and inclusive regarding manufactured housing and resident-owned cooperative conversion. Toward that end, we raise four points:

i. Include manufactured housing community acquisition loans in the definition of "home mortgage loans," specifically in the multifamily property criteria.
ii. Include manufactured housing community acquisition loans in the definition of "Residential Mortgage Loans."
iii. Expand the definition of "whole first mortgages" to include land loans.
iv. Explicitly state that manufactured housing cooperative conversion is included in the Home Financing Policy.

i. Include manufactured housing community acquisition loans as "home mortgage loans" specifically in the multifamily property criteria

Our reading of § 1263.1 (Definitions) in the proposed rule appears to indicate that the community acquisition loans ROC USA Capital provides to resident-owned manufactured home communities (MHCs) would not qualify as "Home Mortgage Loans." The proposed rule defines "Home Mortgage Loan" as: "a loan, whether or not fully amortizing, or an interest in such a loan, which is secured by a mortgage, deed of trust or other security agreement that creates a first lien on an interest in property, including 1-4 family property or multifamily property, in fee simple."

While ROC USA Capital provides long-term loans secured by real estate, the collateral secured in fee simple by ROC USA Capital is land and community infrastructure (i.e. roads, utilities, community buildings) that support the manufactured homes, and their owners, located on the community's land. ROC USA Capital's borrowers are nonprofit resident corporations, or homeowners associations, rather than the individual homeowners who have title to their dwelling units. Multifamily Property is defined as: "Real property that is solely residential and includes five or more dwelling units." "Dwelling unit" is defined as "a single room or a unified combination of rooms designed for residential use."

We recommend broadening the definition of "Multifamily Property" to encompass real property that is solely residential or primarily residential and which includes, ***or on which is located*** five or more dwelling units. This would appear to be consistent with the statutory authority in the Federal Home Loan Bank Act (12 U.S.C. 1422), which defines a "Home Mortgage Loan" as a mortgage upon real estate … "upon which is located, or which comprises or includes, one or more homes or dwelling units…" Also, the proposed rule defines "Manufactured Housing" as a manufactured home within the 1-4 family property definition and per the Manufactured Home Construction and Safety Standards Act of 1974. We are concerned that this definition lacks clear inclusion for resident-owned cooperatives which do not make the mortgage on the home, rather on the land. We recommend flexibility in this definition to include the home, the land or both. In most of our developments, the homes themselves are not secured.

The proposed rule language: "Loans that finance properties and activities that, if made by a member, would satisfy the statutory requirements for the CIP established under § 10(i) of the Bank Act (12 U.S.C. 1430 (i)), or the regulatory requirements" may include manufactured housing cooperatives. We recommend an expansion of the definition of "Manufactured Housing" to "include resident-owned Manufactured Home Communities, as well as manufactured homes as defined in the Manufactured Home Construction and Safety Standards Act of 1974." If manufactured housing is clearly defined to include cooperatives then there is no burden on cooperatives to prove their eligibility under the CIP definition. We note that the FHLBank of Boston has provided such types of financing in the past to our partner, the New Hampshire Community Loan Fund.

ii. Include manufactured housing community acquisition loans as "Residential Mortgage Loans"

ROC USA Capital's loans have a primary purpose of enabling homeowners in manufactured homes located in land-lease communities to enjoy, as closely as possible, the full benefits of homeownership enjoyed by homeowners on fee simple land. This is why ROC USA Capital requires all resident corporations that borrow from ROC USA Capital to use proprietary long-term leases with their member homeowners. Such proprietary leases better enable homeowners in MHCs to access conventional single-family mortgage loans for their homes.

The definition of a "Residential Mortgage Loan" within the proposed rule at (8) provides for "Loans that finance properties or activities that, if made by a member, would satisfy the statutory requirements for the CIP established under §10(i) of the Bank Act (12 U.S.C. 1430 (i)), or the regulatory requirements established for any CICA program." While we believe ROC USA Capital's loans meet the requirements of the CIP, we much prefer and recommend the more specific inclusion of community acquisition loans for resident-owned MHCs in one of the definitions cited above. Such an addition will provide clarity to FHLBank staff when considering any application for membership or advance requests for MHC acquisition/permanent loans.

Clarifying these definitions appears both well within the intent and letter of the FHLBank Act and supports the community investment goals of the FHLBank System as intended by including certified CDFIs as members.

iii. Expand "whole first mortgages" to enable participation loans

The authorizing statute is clear that the FHLBank accepts, in addition to cash and securities, "whole first mortgages on improved residential property" as collateral for advances to members. This language would seem to work against ROC USA Capital's loan participation model unless an FHLBank is prepared to make advances up to 105% of a particular community's appraised value. It does not appear that ROC USA Capital could assign a mortgage in which ROC USA Capital holds a subordinate participating interest as collateral for an advance. The statute goes on to say that other real estate collateral determined to be acceptable to the particular FHLBank may be accepted and approved on a case-by-case basis. We therefore recommend that the statute clearly states that other real estate collateral, not just whole first mortgages are permitted.

iv. Explicitly state that manufactured housing cooperative conversion is included in the Home Financing Policy

We request that the FHFA explicitly include conversion of MHCs to resident ownership in the home financing policy (§1263.13). Non-regulated CDFIs must provide a written justification of how and why a CDFIs home financing policy is consistent with the FHLBank System's housing finance mission. On its face, this appears to be an easy hurdle to overcome. However, as noted above, some organizations, such as ROC USA Capital, do not have a loan product that specifically finances "homes" or "dwelling units," the bread and butter of the

FHLBank System's mission. We urge the FHFA to include this niche of the homeownership market explicitly.

Conclusion

CFED appreciates the opportunity to comment on the proposed rule. We commend the FHFA staff for their thorough research and analysis on this opportunity to strengthen the American family and economy. It is clear the staff understands CDFIs and sees the benefit they offer to the FHLBank System. Except in a few areas, specifically limiting access to CDFIs that engage in single-family home financing, we believe the rule complies with congressional intent.

We have great respect for the tremendous positive impact that FHLBanks continue to have on American communities. Our colleagues report excellent experience working with numerous FHLBanks. However, we believe it is the appropriate role of the Agency to ensure that the advent of CDFI membership does not result in a two-tier membership in this banking cooperative that is so critical to our financial system. We do not expect that there will be many appeals of FHLBank decisions under the proposed provisions, but we think that if the Agency encourages CDFI membership and lending from the outset as this rule does, the Agency will do a great deal to advance the public mission of the FHLBank System.

While we understand that each FHLBank sets its own lending and collateral policies—which may vary from FHLBank to FHLBank and which will apply to all borrowing members of that FHLBank—we do encourage FHLBanks and the regulator to make efforts to enable CDFIs to join and fully benefit from FHLBank resources. If we succeed in this new initiative, we will see more financially self-reliant families, communities and nation.

If you have any questions about our comment, please contact me at 202.207.0125 or cwayman@cfed.org.

Sincerely,

Carol Wayman

Carol Wayman
Federal Policy Director
CFED