

From: jeff@opportunityfund.org  
Sent: Thursday, July 09, 2009 5:17 PM  
To: !REG-COMMENTS  
Subject: Comments/RIN 2590-AA18

Jeff Wells  
111 West St. John St. Suite 800  
San Jose, CA 95113-1121

July 9, 2009

Alfred M Pollard  
Federal Housing Finance Agency, Fourth Floor 1700 G Street, NW Washington, DC  
20552

Dear Mr. Pollard:

I appreciate the Federal Housing Finance Agency's 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 a Federal Home Loan Bank (FHLBank). In general, the proposed rule is well-considered and designed to realize Congressional intent to enable CDFIs to become members of the 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.

Hundreds of CDFIs throughout the nation are currently supporting affordable housing. The proposed rule would dramatically increase the effectiveness of these efforts. All CDFIs should be eligible and not limited only to CDFIs that have more than 10% of their assets in single family mortgages. These CDFIs primarily fund community economic development activities or multi-family housing. These CDFIs should be allowed to join as Community Financial Institutions.

The rule should permit flexibility in the definition of home finance, including shared equity, multi-family housing and cooperative conversion of manufactured home communities (mobile home parks).

Also, the rules should permit CDFIs chartered under tribal governments to join. The rule only notes that those CDFIs chartered under state or federal law can apply. Many Native American CDFIs are chartered under tribal law and should be able to participate.

As a government sponsored enterprise, the FHLBanks have a mission to support local community revitalization efforts. Proactive implementation of this opportunity can strengthen the FHLBanks by providing them more mission investments that will serve communities and improve their profitability.

Sincerely,

Jeff Wells

