



September 12, 2014

Via email: Director@fhfa.gov

The Honorable Mel Watt  
Director  
Federal Housing Finance Agency  
400 7th Street, SW  
Washington, DC 20024

**Re: RIN 2590-AA39, Notice of Proposed Rulemaking regarding membership requirements in the Federal Home Loan Bank System**

Dear Director Mel Watt:

NAREIT is the worldwide representative voice for real estate investment trusts (REITs) and publicly traded real estate companies with an interest in U.S. real estate and capital markets. NAREIT's members are REITs and other real estate businesses throughout the world that own, operate and finance commercial and residential real estate. NAREIT's Mortgage REIT Council, which includes both residential and commercial mortgage REITs (MREITs), advises NAREIT's leadership on MREIT matters.

MREITs today provide a significant amount of capital and liquidity to the U.S. residential real estate markets, and have, directly or indirectly, funded millions of residential properties, including both single family homes and multifamily units. MREITs have been important source of private sector housing finance capital in the aftermath of the financial crisis. Residential MREITs are currently active participants in U.S. Agency RMBS markets and are poised to expand participation in the PLS market as it revives.

On September 2, 2014, the Federal Housing Finance Agency (FHFA) released draft Notice of Proposed Rulemaking regarding membership requirements in the Federal Home Loan Bank System (FHFA FHLB Membership Proposal), which was published in the *Federal Register* today. The FHFA FHLB Membership Proposal sets forth a 60-day comment period for public comment, scheduled to close on November 12, 2014.

On behalf of the NAREIT's MREIT Council, I am writing to request that this comment period be extended by an additional 60 days. As the FHFA FHLB Proposal notes, recently some MREITs have become FHLB members and others have explored this option, with the active encouragement of various FHLB



NATIONAL  
ASSOCIATION  
OF  
REAL ESTATE  
INVESTMENT  
TRUSTS®  
♦ ♦ ♦  
REITS:  
BUILDING  
DIVIDENDS  
AND  
DIVERSIFICATION®

The Honorable Mel Watt

September 12, 2014

Page 2

member banks. They are concerned, as are we, that sixty days is not sufficient time to analyze the implications of this complex proposal and provide responsible feedback to the FHFA.

We thank you in advance for considering this request for an extension of time to comment on the FHFA FHLB Proposal. NAREIT's MREIT Council welcomes the opportunity to convey its views, and would be happy to assist FHFA staff with any questions they may have related to MREITs.

Respectfully submitted on behalf of the MREIT Council,

A handwritten signature in black ink, appearing to read "S. A. Wechsler". The signature is fluid and cursive, with a long horizontal flourish extending to the right.

Steven A. Wechsler  
NAREIT President & CEO

