



Mr. Alfred M. Pollard, General Counsel
Federal Housing Finance Agency
400 Seventh Street, SW., Eighth Floor,
Washington, DC 20024
Attention: Comments/RIN 2590-AA65

October 22, 2014

RE: RIN 2590-AA65 2015-2017 Enterprise Housing Goals

General Counsel Pollard:

Gem City-Hilltop Community Development and Housing, Inc. is a nonprofit CDC operating in Dayton, Ohio. Our mission is to advocate for and develop affordable housing, to promote historic preservation, and to restore abandoned and vacant properties for reuse in the urban core of the city. In addition, we are also a member of the National Community Reinvestment Coalition (NCRC).

As the demographics of the United States continue to shift toward lower-income households and a more racially and ethnically diverse population, eliminating barriers to homeownership, stimulating mortgage choice, and generating opportunities in the conventional mortgage market are critical issues for these communities, the housing industry, and the well-being of the nation's economy overall.

While our organization commends the Federal Housing Finance Agency (FHFA) for recognizing that the Enterprises must lead the market in purchase and refinance opportunities for these consumers, the proposed 2015-2017 Housing Goals fail to take the right steps to ensure that Fannie Mae and Freddie Mac will do their



part to eliminate access barriers and liquidity challenges for loans made to our communities. The FHFA, through its policies and rulemakings, simply cannot continue to ignore the fact that, in the future, low- and moderate-income borrowers and people of color will no longer be a niche market, but likely the mortgage industry's core consumers. Therefore, we urge the FHFA to address the concerns raised in the National Community Reinvestment Coalition's comment letter and adopt NCRC's recommendations in the final rule.

Specifically, NCRC's comment letter identifies concerns and offers recommendations regarding the following areas:

- (1) The legal validity of FHFA's three alternately proposed evaluation methods,
- (2) The Agency's estimated size of the low- and moderate-income (LMI) mortgage market and market for communities of color,
- (3) The absence of demographic considerations in the financial model used to calculate FHFA's market projections for LMI and communities of color; and
- (4) The Agency's conclusion that the included data in the existing financial model supports the conclusion that the LMI borrowers and borrowers choosing to live in communities of color will significantly decline over the next three years.

We believe that the final 2015-2017 Enterprises Housing Goals rule can only be strengthened by addressing NCRC's concerns and adopting the coalition's recommendations.



Over the past 10 years, the affordable housing goals have helped 941,550 households in Ohio to become homeowners or benefit from affordable rental housing. As a result, families were able to realize real economic gains from their housing options and build savings. We firmly believe that the affordable housing goals are far too important to preserving and building the wealth of working-class people to allow regulatory policies to marginalize or minimize their effect.

We would like to thank FHFA for this opportunity to share our views on the proposed rule. If you have any questions or would like additional information regarding this comment, please do not hesitate to contact Irving S. Moses, President and CEO, by contacting me at our offices by phone at (937) 490-9461, or by email at ismoses@gemcityhilltop.org.

Sincerely,

A handwritten signature in black ink that reads "Irving S. Moses".

Irving S. Moses
Gem City-Hilltop Community Development and Housing, Inc.