From:	Joyce Dillard <dillardjoyce@yahoo.com>
Sent:	Monday, January 12, 2015 6:33 PM
To:	!FHFA REG-COMMENTS
Subject:	Comments to FHFA (RIN) 2590–AA39 Members of Federal Home Loan Banks due 1.12.2015

You state:

Definitions of HOME MORTGAGE in this regulation

> *generally to include any loan or interest in a loan that is secured by a first lien mortgage or any mortgage pass-through security that represents an undivided ownership interest in such loans or in another security that represents an undivided ownership interest in such loans*

Comment:

Securities or derivatives are not the market to outreach to the public need for home ownership. In areas under the Community Redevelopment Act, these mechanisms allow market manipulation instead of public stability into the community. It also allows foreign investors an investment priority instead of creating housing for families and economic stabilization.

You state:

> *Because nearly all state-chartered depository institutions are now federally insured, there are essentially three categories of institutions that are eligible for Bank membership:*
> *(1) FDIC- or NCUA-insured depository institutions;*
> *(2) insurance companies; and*
> *(3) CDFIs.*

Comment:

CDFIs are not home mortgage entities. We see the CDFIs as tax credit pass-throughs for economic development. Instead of economic development, we see publically-owned property being used for NMTC New Markets Tax Credits. Little jobs are created in the targeted or poverty areas. The poor are used for the rich.

In fact, the City of Los Angeles has the LA DEVELOPMENT FUND and its related partnerships. We see almost no outside economic development that attracts jobs. Mortgages involved are not home mortgages, but building mortgages. Again, this may involve an entity incorporated for the tax credit pass-through.

This defeats the purpose of this Act.

There needs to be more requirements for CDFIs than just certification.

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