



Preservation of Affordable Housing, Inc.

Amy S. Anthony, President

April 10, 2009
Robert E. Feldman
Executive Secretary
Federal Deposit Insurance Corporation
550 17th Street, NW
Washington, DC 20429

Dear Mr. Feldman,

We are writing in regard to FDIC's request for comments on the proposed plan for Public-Private Investment Funds (PPIFs) and the Legacy Loan Program.

Preservation of Affordable Housing, Inc. (POAH) is a nationally recognized, mission-driven non-profit corporation with significant experience in the acquisition, rehabilitation and preservation of existing subsidized affordable housing which is at risk of loss due to disinvestment, market conversion, or other forces. POAH has acquired and preserved over 6,000 units of affordable housing nationwide since 2001. POAH is a member of Stewards of Affordable Housing for the Future (SAHF), a 501(c)(3) network of nine social enterprise nonprofits. SAHF's members provide high quality, affordable rental homes for 80,000 households in 49 states, the District of Columbia, Puerto Rico, and the Virgin Islands.

Unfortunately, the affordability of many subsidized multifamily units is now threatened, as overleveraged and undercapitalized properties have been unable to pay debt service and have been reclaimed by their lenders. Many of these properties are overleveraged because the purchasers intended to, but have not yet, terminated their affordability restrictions. As the FDIC addresses the issue of disposition of distressed bank-owned assets more generally, it is critical that steps be taken to ensure that existing affordability restrictions on subsidized multifamily assets are preserved as the properties are restructured.

As such, we urge the FDIC to recognize the important public benefit associated with these affordability restrictions, and create a different form of disposition program for the assets – one that is respectful of and sensitive to the existing public investment in their development and maintenance to date. Again, the intent of these changes would be to ensure that as these assets are restructured and stabilized, the affordability restrictions they now carry are preserved so that they continue to act as a housing resource for low- and moderate-income households.

If you have any questions or wish to discuss these comments, please don't hesitate to contact POAH at (617) 449-0858 or SAHF at (202) 737-5975.

Thank you for your consideration.

Sincerely,


Amy S. Anthony
President, POAH Inc.


Bill Kelly
President, SAHF