THE COMMUNITY PRESERVATION CORPORATION

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September 7, 2007

Office of the Comptroller of the Currency
250 E Street, SW, Mail Stop 1-5
Washington, DC 20219
regs.comments@occ.treas.gov
Docket ID OCC-2007-0012

Mr. Robert E. Feldman, Executive Secretary
Attention: Comments
Federal Deposit Insurance Corporation
550 17th Street, NW
Washington, DC 20429
Comments@FDIC.gov

Ms. Jennifer J. Johnson, Secretary
Board of Governors of the Federal Reserve System
20th Street and Constitution Avenue, NW
Washington, DC 20551
Regs.comments@federalreserve.gov
Docket No. OP-1290

Regulation Comments
Chief Counsel's Office
Office of Thrift Supervision
1700 G Street, NW
Washington, DC 20552
Regs.comments@ots.treas.gov
ID OTS-2007-0030

RE: Community Reinvestment Act; Interagency Questions and Answers Regarding Community Reinvestment; Notice: OCC-2007; OP-1290; RIN 3064-AC97; and OTS-2007-0030.

Ladies and Gentlemen:

The Community Preservation Corporation (CPC), a nonprofit lending consortium serving New York, New Jersey and Connecticut, is pleased to submit comments on the above-referenced Q&A. CPC has been financing affordable housing since 1974 with the support of our member financial institutions who supply us with lines of credit for our operations. In that 33 years of activity CPC has financed the development or preservation of over 120,000 housing units, representing public and private investments of over $5.5 billion.

CPC's primary concern with the proposed Q&A is that it leaves open the possibility of examiners' discounting investments in national, regional and statewide lending consortia and other community development funds. Multi-investor, multi-geography funds play a critical role in providing affordable housing to low- and moderate-income ("LMI") families across the United States. For more than 30 years (beginning with CPC's formation in 1974), banks have pooled their money in multi-bank consortia in order to meet the mortgage credit needs of their LMI communities. These pools afford banks real economies of scale, and the opportunity to invest in experts in originating, underwriting and servicing loans on homes affordable to LMI, as well as the benefits of geographic and product diversification.

We strongly support the existing CRA guidance on investments in broad geographic lending funds, which states that

> "The institution's assessment area(s) need not receive an immediate or direct benefit from the institution's specific participation in the broader organization or activity, provided that the purpose, mandate or function of the organization or activity includes serving geographies or individuals located within the institution's assessment area(s)."

That Q&A specifically recognizes that community development organizations and programs are efficient and effective ways for institutions to promote community development; that these organizations and programs often operate on a statewide or multi-state basis; and therefore, an institution's activity is considered a community development loan or investment if it supports an organization or activity that covers an area that is larger than, but includes, the institution's assessment area.

RECOMMENDATION

CPC recommends strongly that a bank should continue to receive full CRA credit for the entire dollar amount of its investment in national, statewide and regional funds that make community development loans or investments, generally as defined under the CRA rules, regardless of the location of the fund's projects, provided that some of the fund's projects are located in the bank's assessment area(s) or broader statewide or regional area that includes the bank's assessment area(s).

Please contact me with any questions concerning the foregoing, thank you.

Sincerely yours,

Richard A. Kumro
Vice President and
General Counsel

cc: Ms. Judith Kennedy, NAAHL

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