



May 17, 2013

Re: Proposed Changes to Interagency Q&A

OCC at: regs.comments@occ.treas.gov [Docket ID OCC-2013-0003]  
Federal Reserve at: regs.comments@federalreserve.gov [Docket NO. OP-1456]  
FDIC at: comments@fdic.gov [Docket ID FDIC-2013-0024-0001]

To Whom It May Concern:

Neighborhood Finance Corporation (NFC) appreciates the opportunity to comment on the changes to the CRA Interagency Q&A. The proposed changes are an important step toward modernizing the CRA to more effectively regulate the banking industry and promote community development activities. NFC believes strongly that current CRA regulations can be strengthened and modified to be more relevant, efficient and effective in promoting investments in under-served communities and neighborhoods. We appreciate the agencies proactively addressing this important issue. Additionally, we hope the U.S. Congress will proactively address CRA reform.

NFC is a not-for-profit mortgage bank, licensed through the State of Iowa Division of Banking. We have originated over \$213 million in loans since we were formed 23 years ago. The banks who invest in our loan programs all agree that NFC helps revitalize the community and that their investment in our loan program is the right thing to do. The CRA credit they receive as the result of their investment in our loan programs provides additional incentive for those banks.

NFC provides the following comment in response to one of the specific proposed revisions:

**Proposed Revisions to Community Development Activities Outside an Institution's Assessment Area(s) In The Broader Statewide or Regional Area That Includes An Institution's Assessment Area**

While NFC understands that some rural locations may not currently be considered in an institution's assessment area and thus may not enjoy the benefits of CRA investment, NFC is cautious about an institution investing outside of its assessment area without regulatory agencies requiring an increase in the amount of CRA investing. Activities outside of the institution's assessment area to include rural locations should not be to the detriment of the institution's assessment area.

Thank you for your consideration of this comment. Institutions' CRA investments in NFC's lending area have never been more important. Please feel free to call or email me at [holson@neighborhoodfinance.org](mailto:holson@neighborhoodfinance.org) for any clarification of this comment.

Sincerely,

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Executive Director

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