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Community Investment Corporation

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Chicagoland's Leading Multifamily Rehab Lender

November 10, 2014

Legislative and Regulatory Activities Division
Office of the Comptroller of the Currency
Mail Stop 9W-11
400 7th Street SW
Washington, DC 20219
Docket ID OCC-2014-0021
Regs.comments@occ.treas.gov

Robert deV. Frierson
Secretary
Board of Governors of the Federal Reserve System
20th Street and Constitution Avenue NW
Washington, DC 20551
Docket No. OP-1497
Regs.comments@federalreserve.gov

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

Subject: Community Reinvestment Act: Interagency Questions and Answers Regarding
Community Reinvestment

Dear Madams/Sirs,

Thank you for the opportunity to comment on the Interagency Questions and Answers Regarding Community Reinvestment. The Community Reinvestment Act is a critical tool to drive neighborhood investment, and we appreciate your ongoing efforts to improve and clarify interpretations to make sure CRA meets its objectives.

Community Investment Corporation (CIC), a Community Development Financial Institution (CDFI), is the leading source of loans for the rehabilitation of multifamily residential buildings in the Chicago area. CIC is capitalized by investments from 40 financial institutions, and has originated \$1.2 billion in loans for the acquisition and rehabilitation of 2,000 buildings with 55,000 units since 1984. CIC also administers the Energy Savers Loan Fund, which has financed energy saving retrofits for more than 6,000 units of affordable multifamily rental housing since 2008.

The Energy Savers program is the most successful program of its kind in the country. Several properties that were funded through Energy Savers were the basis for a study recently conducted by Stewards of Affordable Housing for the Future and Bright Power, 'Energy and Water Savings in Multifamily Retrofits.' That report noted that Energy Savers participants had achieved gas savings of an average of 26% (with a range of 14% to 32%). Based on self-reporting from building owners, CIC has been informed that some building owners are achieving gas savings in the 43%-45% range.



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Energy Efficiency as Community Development

The Agencies propose to include the following example of a community development loan: “renewable energy or energy-efficient equipment or projects that support the development, rehabilitation, improvement, or maintenance of affordable housing or community facilities, such as a health clinic, even if the benefit to low- or moderate-income individuals from reduced cost of operations is indirect, such as reduced cost of providing electricity to common areas of an affordable housing development.” CIC strongly supports this proposal.

In our experience with Energy Savers, energy retrofits provide extensive value to the tenants - even when cost savings do not go directly to the tenant. Not only do energy retrofits provide tenants with more comfortable units, but owner savings can stave off rent increases, and can provide owners with more cash flow to invest in building improvements.

Partnerships as Flexible and Innovative Lending

We appreciate the new questions designed to clarify responsiveness and innovativeness. Community Investment Corporation and other third party lenders and intermediaries are often on the cutting edge of lending innovations in underserved areas. We have a very sophisticated understanding of our markets, and have developed unique origination, underwriting and servicing practices to meet local market needs. Loans to affordable rental buildings are important to communities whether a bank or its mission-based partner does the lending. Our bank investors should receive full credit for our lending activity.

Thank you again for the opportunity to comment.

Sincerely,

A handwritten signature in black ink, appearing to read "Jack Markowski", is written over a large, stylized circular flourish.

Jack Markowski
President