



534 ADAMS AVENUE
MONTGOMERY, AL 36104-4334

PHONE 334.265.7156
FAX 334.265.7165

September 17, 2007

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

Dear Sirs and Madams:

The Alabama Multifamily Loan Consortium, Inc. (AMLC) appreciates the opportunity to comment on the framework for implementing the Community Reinvestment Act (CRA). AMLC is a member of The National Association of Affordable Housing Lenders (NAAHL) and share their deep concern for unintended, adverse consequences for bringing private capital through pooled funds to underserved areas and people with acute needs. If implemented, the proposed policy would undermine national, regional and even statewide community development funds, hurt underserved communities, make homeless and supportive housing and other challenging activities harder to finance, and drive away banks unable to make very large investments.

Our little organization, AMLC, is a statewide lending consortium that has provided permanent financing on 41 low-moderate income apartment communities in Alabama providing some 2,500 units of affordable housing to about 8,500 of our working poor citizens who need it most. We have 55 member banks that actively support our mission largely due to regulatory encouragement to do so. The proposals on examiner discretion and alternative fund documentation have already generated banker questions as to the wisdom in their investment in pooled funds, putting in jeopardy the entire concept of pooling federal funding with private capital to create good community.

Spanning more than 30 years, banks have pooled their money in multi-bank consortia in order to meet the mortgage credit needs of their LMI communities and in Alabama we have only just begun to make inroads with such programs. These pools afford banks real economies of scale, and the opportunity to rely on experts in originating, underwriting and servicing loans on homes affordable to LMI citizens, as well as the benefits of geographic and product diversification. Many of our member banks have neither the expertise nor the access to quality CRA-type investments other than through AMLC and would otherwise not be able to participate in meaningful community investment.

AMLC has been able to address acute needs like supportive housing for the elderly, physically and mentally disabled and veterans and these special needs communities have

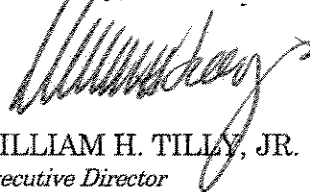
many more needs, but funding is more and more scarce every year. We need to be able to count on bank capital to partner with federal subsidy programs to make decent and safe housing a reality, not merely a wish.

We are surprised and disappointed that the proposed Q&A on geographic documentation appears to be a real departure from, and at odds with, the excellent approach of prior guidance, which recognizes the importance of funding broader programs that benefit from diversification of projects and geographies, and economies of scale. AMLC strongly believes in the principle that a bank should receive full CRA credit for all dollars invested in national community development funds, regardless of the location of the fund's projects, provided that the fund has at least one project in the bank's assessment area(s) or broader statewide area that includes the bank's assessment area(s).

We encourage you to do everything possible to make sure that banks will continue to receive full CRA credit for the entire dollar amount of its investment in national, as well as 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 areas that includes the bank's assessment area(s).

Thank you for your attention to this really important and urgent issue.

Yours truly,

A handwritten signature in black ink, appearing to read "William H. Tilly, Jr.", with a stylized flourish at the end.

WILLIAM H. TILLY, JR.
Executive Director