

September 9, 2003

Donna Fabiani
Financial Strategies and Research Manager
Community Development Financial Institutions Fund
U.S. Department of the Treasury
601 13th Street, NW, Ste. 200 South
Washington, DC 20005

Re: Draft CDFI Strategic Plan

Dear Ms. Fabiani:

The National Association of Affordable Housing Lenders (NAAHL) represents America's leaders in moving private capital to those in need. Members include the who's who of private sector investors in affordable housing and community development: banks, thrifts, insurance companies, community development corporations, mortgage companies, loan consortia, financial intermediaries, pension funds, foundations, local and national nonprofits, and public agencies.

We appreciate the opportunity to comment on CDFI's draft FY03-FY08 Strategic Plan. NAAHL continues to have serious objections concerning the strategic direction of CDFI, as expressed in our April 3, 2003 letter commenting on the revised interim rule for the Bank Enterprise Awards (BEA) Program and the Community Development Financial Institutions (CDFI) Program (see attached copy).

We are also concerned about language of the proposed strategic plan (on Page 22), expecting the BEA Program to leverage CDFI Fund BEA awards by \$11 to \$1, and assuming that only a portion of eligible activities are attributable to the

BEA Program. This approach appears to discount some of the BEA award's impact and substantially understates the leveraging of private capital attributable to the BEA Program.

Sincerely,

Judith A. Kennedy
President

Cc: Wayne Abernathy
Tony Brown