

FURTHER Development LLC

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

RE: Legacy Loan Program (LLP)

Dear Mr. Feldman:

Further Development LLC (FD) is a private company composed of affordable housing, mortgage and mortgage counseling experts. The firm's goal is to prevent foreclosures and stabilize families and neighborhoods by using private capital to acquire distressed mortgages and modify those owners' loans at 80% of the homes' current appraised value. The firm's approach relies on innovative partnerships with all levels of government in an effort to leverage private capital and blend the skills and experience of the private and public sectors to create a double-bottom line opportunity for all involved.

The LLP presents an extraordinary opportunity to further the mission of foreclosure prevention but as currently proposed, the LLP bidding structure may limit the ability of firms such as ours to have a targeted impact on the communities our investors hope to serve. We believe that the LLP will provide maximum benefit to our investors, tax payers and local communities if the LLP were to provide qualified firms the flexibility to identify, structure and acquire loans or loan pools (all within the LLP proposed pricing guidelines) on a product specific and/or geographic or community specific basis. By incorporating this element of flexibility into the proposed LLP model, you will enable firms to compete in areas where they are most competent and can add the most value. Though we still intend to compete within a non-concentrated auction environment, we are convinced that the LLP will yield the most benefit to the impacted communities if firms are given some ability to structure the pools upon which they intend to bid. Another approach to derive the same benefit would be to allow the LLP to exclude certain loans from pools provided they were partnered with another niche firm such as ours who could purchase those selected assets. The success and profitability for both firms should be enhanced as they could concentrate efforts on certain loan types and regions. This strategy in turn should ultimately drive up the price of the underlining assets which will benefit existing sellers.

We recognize that such an approach may not be suitable for the entire LLP but may make a great deal of sense within a smaller and more tightly focused context. Perhaps piloting such an approach directed at community-focussed organizations may very well encourage broader participation in the LLP. We are convinced that by allowing firms to target their loan acquisitions (though still relying upon the very same LLP pricing mechanisms - auction results of similar assets or LLP independent pricing valuations), firms will be better able to compete in areas where they can provide the most benefit to their investors and to tax payers.

Thank you for your consideration.

Respectfully submitted by,

Erik Sten, President
Further Development, LLC

Morgan Smith, Chief Operating Officer
Further Development, LLC