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February 9, 2017

BY CM/ECF

The Honorable Gregory M. Sleet U.S. District Court for the District of Delaware U.S. Courthouse 844 North King Street Wilmington, DE 19801

Re: Jacobs v. Federal Housing Finance Agency,

C.A. No. 15-708-GMS

Dear Judge Sleet:

I write on behalf of plaintiffs David Jacobs and Gary Hindes in response to the January 31, 2017 correspondence sent by defendant United States Department of the Treasury ("Treasury") regarding the United States Supreme Court's recent decision in *Lightfoot v. Cendant Mortgage Corp.*, No. 14-1055 (S. Ct. Jan. 18, 2017) ("*Lightfoot*"). D.I. 58.

Treasury's letter is odd given that *Lightfoot* involved only one of the many statutes cited by plaintiffs as conferring this Court with subject-matter jurisdiction over this case. *See* D.I. 1 ¶ 22; D.I. 48-1 ¶ 22. The Supreme Court's *Lightfoot* decision expressly observes that "[t]he doors to federal court remain open to [Federal National Mortgage Association ('Fannie Mae')] through diversity and federal-question jurisdiction." Slip. Op. at 16. Accordingly, while plaintiffs in the present case did allege jurisdiction under Fannie Mae's "sue-and-be-sued" clause, plaintiffs also alleged subject-matter jurisdiction under a number of other statutory provisions. *See* D.I. 1 ¶ 22; D.I. 48-1 ¶ 22. Nothing in *Lightfoot* suggests that these other provisions do not confer subject-matter jurisdiction here.

Indeed, Treasury's reliance on *Lightfoot* is all the more confusing because it is self-defeating. In *Lightfoot*, the Supreme Court contrasted Fannie Mae's sue-and-be-sued clause with provisions relating to suits involving Federal Home Loan Mortgage Corporation ("Freddie Mac"). *See* Slip. Op. at 15-16. According to the Supreme Court, the jurisdictional provisions relating to Freddie Mac "provid[e] that Freddie Mac is a federal agency under 28 U.S.C. §§ 1345, 1442, that civil actions to which Freddie Mac is a party arise under federal law, and that Freddie Mac may remove cases to federal district court before trial." *Id.* at 16 (citing 12 U.S.C. § 1452). In light of these jurisdictional provisions, the Supreme Court stated that "[s]uits involving Freddie Mac may be brought in federal court." *Id.* Thus, the Supreme Court's decision in *Lightfoot* clearly supports plaintiffs' contention that this Court has subject-matter jurisdiction over this case.

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Respectfully,

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Myron T. Steele (#000002)

cc: Counsel of Record – by CM/ECF MTS/1245092