

The Honorable Sandra Thompson
Director, Federal Housing Finance Agency
451 7th Street, S.W., Washington, DC 20410

Dear Director Thompson,

As President of Brownstone Residential, a leader in property management with a specialization in affordable housing, I appreciate the opportunity to contribute to the discussion regarding the Federal Housing Finance Agency's (FHFA) future policies.

Understanding the pivotal role that affordable housing plays in community stability and upward mobility, Brownstone Residential is committed to providing excellent, cost-effective homes. However, the current environment of high regulation and stringent government policies poses substantial challenges to our mission.

The glaring issue at the heart of housing affordability is supply shortage. It is distressing that the U.S. has an underproduction gap of over 5.5 million units, contributing to the rising cost of housing. Inflation adds to this burden by escalating the costs of goods, services, maintenance, and mortgage rates.

The reality is that these costs directly influence the feasibility of affordable housing. Inflation-driven price surges make construction and renovation substantially more expensive, inevitably impacting the housing market prices for both new and existing properties.

In our quest to maintain quality and affordability, we adhere to and often exceed the necessary provisions in our contracts with residents. Yet, the intricacies of rental housing are complex and vary across communities. Imposing additional layers of regulation could lead to counterproductive effects, including the possibility of housing providers exiting the market, particularly in communities where affordable housing is most needed.

We value your dedication to affordable housing and agree that it is essential for progress across the country. However, it's crucial to consider the unintended consequences of further regulations on the already heavily regulated rental market. The potential damage from over-regulation could inhibit the growth of affordable housing supply, and in turn, those who benefit from it most.

In the spirit of collaborative problem-solving, I would encourage the FHFA to consider our viewpoint as you strategize new policies and initiatives.

Sincerely,

Robert Dryman

President, Brownstone Residential