



MULTIFAMILY NW
The Association Promoting Quality Rental Housing

July 25, 2023

Honorable Sandra L. Thompson
Director
Federal Housing Finance Agency
400 7th St SW
Washington, DC 20024

Dear Director Thompson,

I am writing on behalf of Multifamily NW, the leading membership organization representing owners, operators and developers of rental housing in Oregon. Currently, Multifamily NW represents 275,000 rental units. I am writing to share our views on the Federal Housing Finance Agency (FHFA) Request for Input (RFI) on Tenant Protections for Enterprise-Backed Multifamily Properties.

My state is suffering from a [shortage of rental housing](#) like many parts of the country. Chronic underproduction has led to higher costs for consumers, especially in affordable and underserved markets. While the factors causing this undersupply are numerous and complex, this is a moment when the availability of reliable and competitively priced capital is essential for the health of the rental housing industry.

The supply gap cannot be met without the necessary capital for development and rehabilitation in all markets, especially those that may not meet the credit or return standards required by many private capital debt providers. To bring down rental costs in the underserved markets of my state, the FHFA and Fannie Mae and Freddie Mac (the Enterprises) should be focused on supply and facilitating a secondary mortgage market which helps create more affordable housing stock.

Specific tenant protections are better decided by the communities they impact rather than the imposition of federal regulations which circumvent or conflict with leases that have been carefully crafted to comply with the laws applicable to that property. These laws are unique to individual communities and state and local lawmakers are best suited to respond to the needs of their constituents.

The rental property owners and operators in my state must comply with existing local, state and federal tenant protection laws. As such, the FHFA and Enterprises' consideration of adding more regulations to the already complex housing regulatory system is a major concern for my members. Any additional requirements associated with Enterprise-backed financing would impact rental housing providers' ability to comply with existing laws, adding uncertainty to a market already subject to intense scrutiny and regulation across all levels of the government.

There is also significant concern about the types of tenant protections that the FHFA and Enterprises are considering; rent regulation, source of income mandates and restrictions on eviction, to name a few examples, all impact a rental property operator's ability to comply with the economic terms of their loans and meet their additional mandatory operational expenses. If these requirements prove burdensome enough, I expect many of our members will turn away from financing options facilitated by the Enterprises or, even worse, exit the rental housing market altogether.

EXECUTIVE DIRECTOR
Deborah Imse
deborah@multifamilynw.org

DEPUTY EXECUTIVE DIRECTOR
Gary Fisher
gary@multifamilynw.org

2023 BOARD OF DIRECTORS

PRESIDENT
Josh Lloyd
Wood Residential

VICE PRESIDENT
Andie Smith
Holland Partner Group

SECRETARY
Tiffany Wallace
Cushman & Wakefield

TREASURER
Chris Hermanski
Mainlander Property Management

IMMEDIATE PAST PRESIDENT
Renee Larsen
Capital Property Management, Inc.

DIRECTORS

Lisa Bollinger
Avenue 5 Residential

Jessie Dhillon
Carla Properties

Brent Ellifritz
PG Long Floorcovering LLC

Tim Jellum
Mill Creek Residential

Pamela Leeper
Greystar

Dan Mason
MG Properties

Kimberly McCafferty
Lifetime Exteriors

Jennifer McCord
Princeton Property Management

Leah Sykes
Andor Law Firm

Jennifer Wyncoop
Income Property Management

Fannie Mae- and Freddie Mac-backed financing is a critical tool to keep housing costs affordable for low- and moderate-income renters. However, increased regulation would only increase the cost of providing housing and contribute to the affordability gap we see today. The FHFA and Enterprises should instead look to programs which can increase housing production and supply by making Enterprise products more competitive to help us meet our collective housing needs.

Thank you for soliciting these comments and considering our views,

Sincerely,

Gary Fisher
Deputy Executive Director
Multifamily NW