

From: dmccormick@mainehousing.org  
Sent: Friday, September 18, 2009 9:29 AM  
To: !REG-COMMENTS  
Subject: RIN 2590-AA27

Dale McCormick  
353 Water Street  
Augusta, ME 04330-4665

September 18, 2009

Federal Housing Finance A (FHFA)  
1625 Eye Street, NW  
Washington, D.C. 20006

Dear Federal Housing Finance A (FHFA):

Thank you for the thoughtful request for comments regarding duty to serve requirements for the GSEs. We concur with CFED's comment letter urging GSEs invest in manufactured homes with security of tenure and opportunity for appreciation.

As a Housing Finance Agency that lends on mobile homes (both on owned land and on leased land) MaineHousing doesn't sell loans on the secondary market (ie to either FNMA or FHLMC). Our key issue is that we cannot get mortgage insurance on single wide mobile homes. We have to self-insure, which costs us financial capacity. We would like to see FNMA and FHLMC create or incent mortgage insurance (maybe through FHA) for mobile homes. Mortgage insurance would pave the way for a much needed secondary market to provide liquidity to lenders.

But beyond MaineHousing, many in Maine have to get personal loans (short maturities and high rates) on their mobile homes because they cannot get real estate loans. If FNMA and FHLMC had a secondary market product that would purchase real estate loans on mobiles, local financial institutions could make real estate loans and sell them to FNMA or FHLMC. This would take the risk off the local financial institution and allow the mobile owner a way to afford a better mobile at a lower payment.

The duty to serve requirement can play a major role in promoting the use of good quality manufactured housing as one of many mechanisms to cost-effectively increase the supply of affordable housing and promote asset building. Thank you for your responsiveness and quick action on this issue.

Sincerely,

Dale McCormick, Director, Maine State Housing Authority 207-626-4600 207-626-4600