

Alabama Manufactured Housing Association

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September 14, 2009

Alfred M. Pollard
General Counsel
Attention: Comments /RIN 2590-AA27
Federal Housing Finance Agency
Fourth Floor
1700 G Street, N.W.
Washington, D.C. 20552



RE: Advance Notice of Proposed Rulemaking-RIN 2590-AA27
74 Federal Register No. 148, August 4, 2009, Page 38572
Duty to Serve Underserved markets for Enterprises

Dear Mr. Pollard:

The Alabama Manufactured Housing Association (AMHA) is a state trade association representing all segments of the factory-built housing industry including manufacturers, retail sales centers, financial institutions, material suppliers, developers, and community owners. AMHA appreciates this opportunity to submit its comments regarding the Advanced Notice of Proposed Rulemaking for the "Duty to Serve Underserved Markets for Enterprises" (DTS) issued by the Federal Housing Finance Agency (FHFA) in the Federal Register on August 4, 2009.

In the Housing and Economic Recovery Act of 2008 (HERA), Congress mandated that the Government Sponsored Enterprises (GSEs) have a "duty to serve" the manufactured housing marketplace. Both Congress and AMHA believe it is vitally important that the GSEs play a major role in ensuring affordable financing for low-to-middle income borrowers through adherence to the DTS. Because manufactured housing is so prevalent in rural markets in Alabama and across the country, greater involvement in manufactured housing would not only help the GSEs fulfill their affordable housing mission, it would also assist them in meeting their DTS for rural markets which is also identified in HERA and in the ANPR as an underserved market.

Manufactured housing can fill Alabama's need for affordable housing, with the average home price approximately \$64,000. However, the citizens of Alabama are unable to purchase affordable manufactured homes because of lack of financing. This was the situation prior to the onset of the credit crunch and now we have reached the crisis stage in home lending in Alabama and the nation.

Alabama ranks second in nation in production of manufactured homes. In 1994 we had 25 manufacturing facilities in Alabama and in 2009 there are only 12 in operation. Production in 1999 was at 39,535 homes, through June 2009 only 3,474 were built and only 821 of those homes sold to citizens in Alabama. This is due to lack of financing available to people needing affordable homes.

The ANPR poses several questions in which the FHFA seeks guidance in developing a proposed rule to implement the "Duty to Serve". The Alabama Manufactured Housing Association supports our two national association's recommendations, the Manufactured Housing Association for Regulatory Reform and the Manufactured Housing Institute. These two associations have made detail comments on each specific item and we ask that FHFA and the GSEs work with these two associations to develop proposed and final rules to implement the Duty to Serve and have the final rules in place by January 2010.

Respectfully submitted,



Sherry Norris
Executive Director
Alabama Manufactured Housing Association