

RIN 2590-AA27

SUBJECT: Summary of FHFA Meeting with Hometown American Communities

DATE: August 31, 2009

PARTICIPANTS: Nelson Hernandez (Senior Associate Director, FHFA)
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On August 31, 2009, representatives from the Federal Housing Finance Agency (“FHFA”) met with representatives from Hometown American Communities (“Hometown”), a privately held company that owns and operates manufactured housing communities across the country. Hometown purchases manufactured homes, sites them in its communities, and sells them to residents. Following is a summary of Hometown’s comments relevant to the duty to serve underserved markets.

Hometown stated that it holds thousands of chattel mortgages for homes sited in its manufactured housing communities. Hometown indicated that the manufactured housing market needs assistance with chattel financing. It suggested that the Enterprises could offer a lending arrangement that would be analogous to Federal Home Loan Bank advances by providing loans to manufactured housing lenders, and chattel mortgages would be used as collateral. Hometown added that Enterprise support for chattel mortgages would be more beneficial to low-income borrowers.

Hometown indicated that Fannie Mae owns some of the mortgages on its manufactured housing communities, but that the Enterprises should not receive credit under the duty to serve for financing manufactured home communities. Hometown stated that financing for the communities is generally available, and that various life insurance companies finance communities, including Northwestern Mutual, John Hancock, and PPM.