

**From:** [Spencer Roane](#)  
**To:** [Duty To Serve Stakeholders](#)  
**Subject:** Comments & questions  
**Date:** Friday, December 18, 2015 4:01:21 PM

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Trying to keep the DUS lenders involved in the process of originating smaller community/park loans is a mistake. They are an inefficient middle man, have little experience with, or knowledge of, the asset class, and no interest in originating smaller loans – hence borrowers and smaller lenders are locked out of Fannie & Freddie guarantees.

“Fixes” like resident’s right to sell homes, residents’ first right of refusal, and one-year leases are overly simplistic “improvements”. Community owners must be allowed to screen prospective residents (buyers of homes). What effect have such rights of refusal had on sales prices in areas where now required? Most residents of communities couldn’t buy their lots and couldn’t manage an HOA. Even when residents can afford to purchase lots in LLCs, some higher density resident-owned communities became significant burdens to local municipalities tasked with enforcing CC&Rs.

Please share the data supporting the claim that real estate manufactured home loans perform better than chattel loans. Were such loans self-fulfilling prophecies, characterized by higher interest rates whose higher payments resulted in higher defaults among less qualified borrowers? Were chattel loans associated with street retailers whose profit margins are much higher than community owners selling comparable homes to fill vacant sites? Were chattel loans originated when mortgage fraud “created” income, downpayments, and credit? My experience over 20+ years is that chattel loans made to borrowers with reasonable DTI ratios and downpayments perform exceptionally well, even among borrowers with lower credit scores.

Manufactured home energy saving incentives like that offered by TVA have been extremely successful in significantly reducing homeowners’ costs, yet most other utilities and EMCs refuse to offer such programs. Default rates on affordable housing would be reduced if loans required such energy saving incentives.

Pre-purchase counseling which emphasizes home ownership and maintenance, budgeting, savings, financial management and planning, credit score improvement, etc. have been effective in reducing loan defaults with other affordable housing loans, but not offered or required in manufactured housing.

The useful life of manufactured homes is 30-40 years. The sum of community site rent and lower-interest loan payments on new manufactured homes amortized over relatively short terms (12-13 years) is often less than rent of comparable apartments. These new functional, attractive, energy-efficient manufactured homes sited in communities are a better form of affordable housing than other governmental-managed rental programs. A major “missing link” is a secondary market for chattel loans.

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**From:** Duty To Serve Stakeholders [<mailto:DutyToServeStakeholders@fhfa.gov>]  
**Sent:** Thursday, December 17, 2015 7:26 PM  
**To:** undisclosed-recipients:  
**Subject:** FHFA Duty to Serve Webinar

Greetings:

The Federal Housing Finance Agency (FHFA) issued a new Duty to Serve proposed rule on December 15<sup>th</sup>. The Duty to Serve requires Fannie Mae and Freddie Mac to increase their secondary market activities to help very low-, low-, and moderate-income families buy or rent a home. The proposal would require each company to develop a plan to support lending by financial institutions for three types of housing:

- Manufactured housing
- Affordable housing preservation
- Rural housing

Here are links to the [press release](#), the [proposed rule](#), and the [fact sheet](#).

- FHFA will host a webinar on the Duty to Serve proposed rule at 2 p.m. EST, Tuesday, December 22. The webinar is intended to increase public awareness of the proposed rule, summarize its contents, and answer your questions.
- After a summary presentation, FHFA staff will address only questions on the Duty to Serve submitted to FHFA in advance. Please **submit any questions by 4 p.m. EST, Friday, December 18** to: [DutyToServeStakeholders@FHFA.gov](mailto:DutyToServeStakeholders@FHFA.gov). Please put “question” in the subject line. Please note that questioners may be identified during the webinar if their questions are selected. All questions, the identities of the questioners, and FHFA’s responses will be included in the public comments record for the proposed rule.
- The webinar will be open to any interested party. Feel free to forward this message to anyone who may be interested in the webinar or Duty to Serve.
- To register for the webinar, please click on the link below.

If you prefer not to receive emails about the Duty to Serve, please email [DutyToServeStakeholders@FHFA.gov](mailto:DutyToServeStakeholders@FHFA.gov) and put “remove” in the subject line.

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