

June 12, 2018

Mr. Alfred M. Pollard, General Counsel

Federal Housing Finance Agency

400 Seventh Street S.W.

Washington, D.C. 20219

Attention: Comments/RIN 2590-AA83

**Re: Notice of Proposed Rulemaking – Affordable Housing Program**

I am writing to express Habitat for Humanity of Greater Nashville’s concerns regarding the Federal Housing Finance Agency’s (FHFA) proposal to revise regulations governing the Federal Home Loan Banks' (FHLBanks) Affordable Housing Program (AHP). Habitat Greater Nashville has consistently built between 40 – 50 new homes each year over the past 10 plus years, and the FHLBank’s AHP program has played a large role in helping us do that, representing approximately 20% of the funding toward the development and construction of these homes.

Having personally grown up in Middle Tennessee, I have seen Nashville move from a sleepy Southern town, best known as the buckle of the Bible Belt and home of the Grand Ole Opry, to become a vibrant, fast-growing, multi-cultural city with corporate relocations coming to the city that are generating nearly 100 new residents each day. As exciting as this growth and increased diversity has been for the city, it has not come without consequences.  Real estate values have soared, creating gentrification in areas that previously housed much of the workforce of downtown Nashville, and access to affordable housing is disappearing at a rapid pace.  Residents previously living in the city’s central core are being displaced and relocated away from the services they desperately need such as healthcare, transportation, parks, and jobs.

The FHFA revision places affordable housing in urban areas outside the ‘priorities’ set forth by the Agency. This at a time where Nashville according to the latest Metropolitan Mayor’s report on housing is projecting by 2025 to have:

 . over 31,000 shortfall of affordable housing units available.

 • 30% of Nashville residents unable to afford the cost of housing in Nashville.

 • 20% of the affordable housing inventory in Nashville lost since 2000 through gentrification.

 • 1 out of 4 homeowners being cost burdened.

Should the proposed changes to AHP be approved, Habitat for Humanity of Greater Nashville would be unable to obtain AHP funding, meaning **1 out of every 5 future homeowners approved through our program will NO LONGER BE ABLE to purchase and own a house**.

I am confident that this was not the intent by FHFA with the proposed revisions to the regulation, but unfortunately, this will be the results should it be approved in its current version.

We would GREATLY appreciate either the existing AHP regulation be kept ‘as is’, or the revision remove the regulatory priorities that would eliminate both the assurance of funding being granted based upon scoring (and not reset by ‘priority’) and the ability to provide affordable housing in areas where the need is growing fastest .

Thank you for your consideration.

Danny Herron

President and CEO, Habitat for Humanity of Greater Nashville.