

January 31, 2019

Federal Housing Finance Agency
Alfred M. Pollard, General Counsel
Attention: Comments
RIN 2590-AA82
400 7th Street, SW., Washington, DC 20219

To Whom It May Concern:

Re: Federal Home Loan Bank Housing Goals Amendments

On behalf of its Innovations in Manufactured Homes (I'M HOME) Network, the undersigned are pleased to submit comments to the Federal Housing Finance Agency on Fannie Mae's proposal modify its Underserved Markets Plan, specifically its proposed chattel loan pilot to include options such as participating in a debt structure or guaranteeing a security containing chattel loans, in addition to bulk loan purchase.

Prosperity Now is a national, nonpartisan nonprofit organization based in Washington, D.C. that works to expand economic opportunity for all Americans by promoting and advocating asset-building policies and programs. Since 2005, Prosperity Now has convened the I'M HOME Network, a nationwide coalition of service providers, lenders, intermediaries and advocates working together to improve access to high-quality and energy-efficient manufactured homes, access to mortgage financing for manufactured homes, ensure fair chattel financing, promote resident ownership of manufactured home communities and provide a voice for manufactured homeowners on policy issues.

In this light, we are responding to a very specific section of the proposal.

A. Changes to Definitions—Proposed § 1281.1, 13. Definition of “Mortgage.”

The proposed rule would revise the definition of “mortgage” in the Bank housing goals regulation to include chattel loans on manufactured housing.

As the proposal notes, chattel loans on manufactured housing are an important source of housing finance for low- and moderate-income buyers. The proposal would modify the definition of “Mortgage” to include such loans. We support this change to the definition of “Mortgage.”

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It should be clear that such chattel loans should not be high-cost loans and should be made safely and fairly, with good underwriting, which includes the borrower's ability to repay. This market has been, at times, ill-served by predatory lending practices, most notably those by Green Tree Financial about twenty years ago. Some deceitful practices continue to plague the sector.

Thank you for the opportunity to address the proposed changes to the Federal Home Loan Bank Housing Goals Amendments. Feel free to contact Doug Ryan at dryan@prosperitynow.org or at 202-207-0155.

Sincerely,

Prosperity Now