

From: Simona Fischer <simarie@gmail.com>
Sent: Wednesday, February 22, 2012 1:08 PM
To: !FHFA REG-COMMENTS
Subject: RIN 2590-AA53

Mr. Alfred Pollard
General Counsel
Federal Housing Finance Agency
400 7th St., N.W.
Washington, DC 20024

RE: RIN 2590-AA53 Mortgage Assets Affected by PACE Programs

Dear Mr. Pollard:

Property Assessed Clean Energy (PACE) is a groundbreaking state and local government innovation with a clear public purpose: reducing our reliance on imported fuel, promoting energy security, avoiding the cost of building new power plants and transmission systems, and protecting the environment. PACE has enormous potential to save homeowners money, create local jobs and dramatically reduce energy use. Because of its unique ability to spur homeowner investment in energy efficiency and clean, on-site renewable energy, PACE legislation was passed by 28 states in just two and a half years. It has strong bi-partisan support at the local, state and Federal levels. PACE programs have been received with such overwhelming public support because they address one of the most important problems facing America, and offer an ability to scale that is unmatched by other alternatives.

I would like to be able to power my home with cleaner sources of energy, as well as improve my home's efficiency, and for my neighbors and other Americans to be able to do the same. These improvements are important in order to reduce air pollution and the impacts of mining for fuel, and also to reduce national energy costs in the long term. In order to do so, I need the benefits provided by PACE programs. Please help lawmakers to place the powers of helping the economy and improving national environmental performance into the hands of individual homeowners, at a scale that can only be achieved by each individual doing what they can, where they live. Help lawmakers understand:

- 1) PACE assessments are not loans, they are property tax assessments where the cost of the investment stays with the property.
- 2) PACE assessments present minimal risk to homeowners, lenders, investors and GSEs.
- 3) Home energy improvements financed with PACE achieve important economic and environmental benefits including local job creation through the design, construction and maintenance of renewable energy systems and efficiency improvements to millions of homes.

We believe that FHFA's action to unilaterally halt local government PACE programs on July 6, 2010 was unwarranted. This rulemaking provides an opportunity to establish a fact-based record and correct misinformation and misunderstandings, to the benefit of all stakeholders: local governments, mortgage lenders, homeowners, and our nation. We appreciate the opportunity, and urge you to look for ways

to accommodate these broadly beneficial programs. To this end, we recommend that the FHFA adopt reasonable underwriting standards that ensure local PACE programs are designed to maximize benefit and minimize risk, as described below.

Proposed Rule:

We strongly urge you to reconsider your blanket opposition to PACE programs. We recommend that FHFA adopt a rule stipulating that Fannie Mae, Freddie Mac, and any other mortgage lenders regulated by FHFA be allowed to buy residential mortgages with PACE assessments that are originated by programs that conform to standards and guidelines such as those established in HR 2599 (The PACE Assessment Protection Act) to protect the interests of local governments, homeowners, mortgage lenders and Government Sponsored Enterprises (GSEs).

Sincerely,

Simona Fischer, Sustainable Designer
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