

From: Cheryl McGovern <cherylmcgc@yahoo.com>
Sent: Saturday, March 24, 2012 11:57 AM
To: !FHFA REG-COMMENTS
Subject: RIN 2590-AA53 - Please restore PACE programs

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; Comments on
Advanced Notice of Proposed Rulemaking and EIS Scoping Comments

Dear Mr. Pollard:

I urge you to act to create a positive ruling to support the PACE program. FHFA's action to unilaterally halt local government PACE programs on July 6, 2010 was unwarranted. The PACE program, developed in 2007, empowers communities and homeowners to create jobs and clean energy, reduce pollution and utility bills, and increase property value through a finance structure via tried and true land-secured municipal "improvement districts", "special tax districts", "assessment districts" and the like. PACE converts high upfront costs for solar energy into long-term small assessments that match the savings homeowners get from reduced utility bills. Assessments are not loans because the assessment is offset through energy savings.

PACE legislation was passed by 27 states in just two and a half years and has strong bi-partisan support at the local, state and Federal levels.

FHFA asserts that PACE presents "significant safety and soundness" concerns, but there is no evidence that this is true. Property values increase when they can generate clean energy. The White House (October 18, 2009) and the Department of Energy (May 7, 2010) both published national PACE guidelines with clear, strong underwriting standards to ensure that homeowners are able to afford the improvements. PACE pilot programs in four cities across the U.S. show that PACE properties had substantially fewer rates of defaults non-PACE properties.

The FHFA new ruling supporting PACE should be widespread and encompass all aspects of application such as Fannie Mae, Freddie Mac, and any other mortgage lenders regulated by FHFA (Enterprises) Enterprises, and the scope of EIS as it pertains to the proposed action.

Sincerely,

Cheryl A. McGovern
Homeowner

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