

From: Robert E. Rutkowski [mailto:r\_e\_rutkowski@att.net]  
Sent: Thursday, August 02, 2012 9:37 AM  
To: Office of the Director  
Subject: Comments on FHFA Proposed Affordable Housing Goals

Edward DeMarco, Acting Director  
Federal Housing Finance Agency (FHFA)  
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Re: Comments on FHFA Proposed Affordable Housing Goals

Dear Director:

NLIHC submitted comments, [http://nlihc.org/sites/default/files/NLIHC\\_FHFA\\_Comment\\_Letter\\_7-26-12.pdf](http://nlihc.org/sites/default/files/NLIHC_FHFA_Comment_Letter_7-26-12.pdf), in response to the Federal Housing Finance Agency's proposed rule for 2012, 2013, and 2014 affordable housing goals for the government sponsored enterprises (GSEs) Fannie Mae and Freddie Mac on July 26.

The proposed affordable housing goals set targets for affordable single and multifamily housing financing by the GSEs. NLIHC focused on the multifamily goals in its comments.

FHFA proposes increasing the affordable multifamily targets but notes that the proposed targets "reflect the unusually high volume and market share the enterprises experienced in 2011," and that FHFA believes that this share will decrease in the future. As such, FHFA has taken a "conservative approach to setting the multifamily goals for 2012 to 2014 because of the difficulty in predicting the changes in the market. FHFA may adjust the levels of the multifamily goals at a later date if market conditions so require."

In its comments, NLIHC discussed the shortage of housing affordable to extremely low income (ELI) people in the United States, the inadequacy of the affordable housing goals to meet this significant deficit and the need for the National Housing Trust Fund to be part of any future housing finance system.

With respect to the acute shortage of housing affordable and available to ELI people, "this continuing shortage in part reflects the inadequacy of the enterprises' affordable housing goals to meet the growing need. NLIHC, and many other observers, are concerned that while well intentioned, the affordable housing goals have not been effective in addressing the affordable housing shortage for the people with the lowest incomes."

NLIHC also co-signed comments submitted by the Community Capital Coalition (CCC), a group of advocates, mission-driven housing developers, owners and managers all committed to ensuring open access to financing for the rental housing stock. CCC's comments also address the proposed housing goals and housing finance reform as a whole.

A revitalized system should include means to assure adequate financing for tools like the National Housing Trust Fund, the Capital Magnet Fund, the FHLBs' AHP program, and credit enhancements and risk sharing with private capital to meet affordable housing needs. The new system needs to include program design features like a strong role for the states, leveraging, and accountability for performance.

I hope you will take the time to review these comments and give them weight they deserve.

Yours sincerely,  
Robert E. Rutkowski

cc: House Minority Leadership

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