

From: Dan Hilfiker [DHilfiker@championhomes.com]
Sent: Tuesday, July 20, 2010 12:17 PM
To: !FHFA REG-COMMENTS
Subject: RIN 2590-AA27

I am against this for the following reasons, I am a Sales person for a large manufactured housing plant, 2 years ago we had 250 employees working on our assembly line today we have 50, some of it is due to the economy and some of it does due to the lack of lending, and this rule just may shut this plant down for the simple reasons listed below,

1 A lack of existing business activity in purchasing personal property loans and, in order to develop a business in purchasing or guaranteeing personal property loans would require GSEs to develop operational capacities and risk management processes not currently in place

2 Extensive consumer protection requirements would have to be developed by the GSEs in order to ensure that personal property lending was done responsibly

3 Personal property lending is inconsistent with GSE conservatorship and would require too much effort to ensure safe and sound operations in this area

I oppose this proposed rule and urges FHFA and Congress to expand GSE activity in this area. Given the prevalence of personal property lending, FHFA's proposed rule essentially ignores the needs of both the manufactured housing industry and consumer.

4 FHFA and the GSEs have an obligation to serve manufactured housing and the 18 million Americans currently residing in manufactured homes

5 GSEs cannot fulfill their "duty to serve" manufactured housing by ignoring 21 percent of the total housing market and manufactured homebuyers who are in desperate need of this source of affordable housing

6 More than 60 percent of manufactured home owners have relied on a personal property loan in order to finance their home purchase; it is exceptionally difficult to faithfully serve any market if more than half of it is excluded from consideration

7 The charters of both Fannie Mae and Freddie Mac have always allowed for the purchase of personal property loans and the GSE's have purchased Asset Backed Securities (ABS) collateralized by manufactured home loans and has purchased loans directly from lenders for their portfolios. Congress and HERA recognized this reality by specifying FHFA consider loans secured by both real and personal property in assuring the GSEs dutifully serve the needs of the manufactured housing market

8 Estimates indicate that personal property loans account for at least 60 percent of manufactured housing lending. Enhanced liquidity for new homes ill help expand and stabilize the existing home market

9 Industry lenders operate responsible and profitable programs for personal property lending and follow all appropriate laws such as Truth in Lending (TILA), and the Secure and Fair Enforcement for Mortgage Licensing Act of 2008 (SAFE Act), as well as all appropriate state laws, however they have been shut out from a secondary market due to GSE policies; industry lenders can provide GSEs and the American taxpayer adequate protection from any loss

I urge you to not let this happen, I strongly oppose this rule Thanks Dan Hilfiker

Dan Hilfiker
Zone Manager

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