



OREGON MANUFACTURED HOUSING ASSOCIATION

2255 State Street • Salem, OR 97301
(503) 364-2470 • FAX (503) 371-7374 • <http://www.omha.com>

July 12, 2010

Mr. Alfred M. Pollard
General Counsel
Federal Housing Finance Agency
1700 G Street, N.W.
Fourth Floor
Washington, DC 20552

Re: RIN 2590-AA27

Dear Mr. Pollard:

On behalf of the Oregon Manufactured Housing Association (OMHA) please consider our comments in response to the Enterprise Duty to Serve Underserved Markets Notice of Proposed Rule Making and Request for Comments (RIN 2590-AA27) released June 7, 2010.

The Housing and Economic Recovery Act of 2008 (HERA) established a duty for Fannie Mae and Freddie Mac to serve three specified underserved markets. Congress specifically named manufactured housing as one of the three underserved markets. Congress did not draw a distinction between manufactured home loans secured by personal property and manufactured home loans secured by real property. A rule that draws such a distinction appears to be contrary to the intent of Congress.

Millions of American families live in manufactured homes. According to the US Census Bureau, about 79,000 new manufactured homes were purchased by American families in 2008. About 50,000 of these homes were titled as personal property. If the proposed rule is adopted, the majority of manufactured home transactions will fall outside of the duty to serve requirement

If Fannie Mae and Freddie Mac do not buy personal property loans, the secondary market for these loans will be very limited. Without a secondary market, very few lenders will be able to make these loans. The practical effect will be to prevent many consumers from choosing to own a manufactured home. Families that presently own a manufactured home will have difficulty selling their homes when prospective buyers are unable to find appropriate financing for the home. An absence of liquidity has the cumulative effect of destabilizing the entire manufactured home market and further depressing property values.

The December 2009 issue of the Journal of the American Planning Association (JAPA) recognized the importance of manufactured housing as a source of non subsidized affordable housing. (please see - <http://www.informaworld.com/smpp/content~db=all~content=a917603654>). It encouraged planners to remove barriers that discriminate against manufactured housing. The study suggested that planners emphasize manufactured housing as an affordable housing option.

Page 2

July 9, 2010

Oregon Manufactured Housing Association

Expanding the ability of families to finance a manufactured home as personal property will contribute to the planners' efforts to expand the supply of non-subsidized affordable housing.

It is difficult to imagine a market that is more underserved than the manufactured housing industry. A decision to eliminate personal property lending from the duty to serve requirements will magnify the problem and restrict large numbers of families' from access to affordable housing.

We respectfully request that FHFA amend its proposed rule to also consider manufactured home loans secured as personal property within the duty to serve requirement.

Thank you for your consideration of these comments.

Sincerely,

A handwritten signature in black ink, appearing to read "Don Miner". The signature is fluid and cursive, with the first name "Don" and last name "Miner" clearly distinguishable.

Don Miner
Executive Director

cc OMHA Board of Directors
 Senator Ron Wyden
 Senator Jeff Merkley
 Congressman David Wu
 Congressman Greg Walden
 Congressman Earl Blumenauer
 Congressman Peter DeFazio
 Congressman Kurt Schrader