

July 23, 2010

The Honorable Senator Smith
United States Senate
Washington, DC 20510

Dear Senator Smith,

On behalf of the 18 million Americans living in a manufactured home and residing in a manufactured home community, I am writing to respectfully request you contact:

1. The Federal Housing Finance Agency (FHFA) and request they amend their recently released *Enterprise Duty to Serve Underserved Markets* proposed rule (75 FR32099) to include personal property lending in the duty government-sponsored enterprises (GSEs) have to serve the manufactured housing market
2. Leaders of the **Senate Banking Committee** and ask they specifically request FHFA amend its proposed rule to consider personal property lending in the GSE duty to serve manufactured housing requirement that was outlined by Congress in the Housing and Economic Recovery Act of 2008 (HERA; P.L. 110-289)

Manufactured housing is a vital segment of the housing market. Since 1989, it has accounted for 21 percent of all new single family housing sold in the United States. A significant portion of this is in the form of affordable housing, specifically:

- In 2009, 43 percent of all new home sales under \$150,000 and 23 percent under \$200,000
- 73 percent of manufactured households earn less than \$50,000
- 45 percent of manufactured housing borrowers earn 80 percent or less of Area Median Income (AMI)

In its proposed rule, FHFA indicates it will not consider manufactured home personal property loans. As a business owner of a Manufactured Home Sale Center, I believe this proposed decision will hurt many families who are either seeking to sell their home to another family, or prevent other families from living in their own home. Access to a personal property loan is already very difficult to obtain.

The manufactured housing industry is an important segment of the housing market. Without manufactured housing, millions of families would not have access to housing. More than 60 percent of manufactured home owners, like me, have relied on a personal property loan in order to finance their home purchase. FHFA's initial decision to exclude personal property lending considerations from the GSE's duty to serve cripples millions of Americans.

As a taxpayer, I appreciate the concerns raised by FHFA to ensure GSEs remain viable economic institutions and that adequate consumer protections are in place. But FHFA and the GSEs have an obligation to serve manufactured housing and the 18 million Americans that currently reside in manufactured homes. I know the manufactured housing industry, including the communities that

the homes are placed in , stands ready to address personal property lending issues identified by FHFA in the proposed rule in a substantive and productive manner.

However, the decision to potentially eliminate personal property lending from GSE duty to serve requirements not only fails to serve the manufactured housing market; it fails to serve the families who enjoy the benefits and the ability to live in manufactured homes and manufactured home communities.

It is for these reason I urge you: 1) contact FHFA and request they amend their proposed rule to consider personal property lending in GSE's duty to serve manufactured housing; and 2) contact authorization committee leaders and ask they request FHFA amend its proposed rule to include personal property lending in the duty to serve requirements Congress has outlined for GSEs.

Thank you for your consideration of this request.

Sincerely,

Rolly Bannister III "Sonny"
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