

From: [Lisa Cole Martin](#)
To: [#FHFA.REG-COMMENTS](#)
Subject: [EXT] Proposed Enterprise New Product; Comment Request `Freddie Mac Single-Family Closed-End Second Mortgages," (No. 2024-N-5)
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Good day,

I am Lisa Cole Martin, an educator specializing in Family Financial Planning at a Historically Black University. The current proposal from Freddie Mac, seeking approval from the Federal Housing Finance Administration (FHFA) to acquire second mortgages, is concerning on multiple fronts. Not only does it overlook the pressing needs of marginalized communities, but it also exacerbates existing challenges.

Factors like inflation, rising interest rates, housing shortages, entrenched inequities, and limited economic opportunities, especially in obtaining mortgages for African Americans and other vulnerable groups, severely hinder the accumulation of generational wealth. The shortage of nearly seven million affordable homes underscores the severity of the situation. The Government Accounting Office recently highlighted the persistent issue of affordable housing shortages, exacerbated by high interest rates, low inventory, and the increasing demand from millennials for larger family homes.

Approving Freddie Mac's proposal will not alleviate the housing shortage. Instead, it will disproportionately benefit those already privileged with home equity, obtained at historically lower interest rates. The potential economic influx of \$1.7 trillion may lead to superficial boosts in property values rather than addressing affordability, likely fueling inflation, and further alienating average buyers from homeownership.

Homeownership is not merely a personal asset; it is a cornerstone of generational wealth, offering stability and tax advantages often inaccessible to minorities. By owning a home, families secure a legacy for their descendants, fostering economic stability and upward mobility. However, the persisting gap in homeownership rates among minorities exacerbates wealth disparities and impedes intergenerational wealth transfer.

Freddie Mac's proposal threatens to perpetuate economic inequalities and hinder upward mobility for vulnerable communities. I urge against its advancement at this critical juncture, as it undermines the fundamental principles of equitable economic progress.

Sincerely,

Lisa L. Cole Martin, Ed.D.
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