



On behalf of its
low-income clients



April 2, 2010

President Barack Obama
The White House
1600 Pennsylvania Avenue, NW
Washington, DC 20500

Dear President Obama:

As you know, the Federal Housing Finance Agency (FHFA) has been without a director since September 2009. We write to respectfully urge you to appoint a qualified individual to this important agency that oversees the secondary mortgage market in this country.

FHFA's mission to promote safety and soundness, while supporting housing finance, community economic development, affordable housing and a stable and liquid mortgage market continues to be a relevant and critical aspect of our nation's economic recovery. The recession has put added pressure on the need for affordable housing and economic development in this country. Manufactured housing is a significant share of the nation's stock of affordable housing but the current housing finance landscape continues to hinder its availability.

The Housing and Economic Recovery Act of 2008 amended the Federal Housing Enterprise Financial Safety and Soundness Act of 1992 to establish a duty for Fannie Mae and Freddie Mac to serve three underserved markets: manufactured housing, affordable housing preservation and rural areas, in order to improve capital distribution and liquidity in these markets. These are three important components of the nation's affordable housing spectrum that have traditionally been underserved by conventional mortgage finance. The 1992 Safety and Soundness Act, as amended, requires that beginning in 2010 the FHFA establish a process for evaluating Fannie Mae's and Freddie Mac's compliance with their duty to serve. On August 4, 2009, the FHFA issued a request for comments on the proposed rulemaking for duty to serve; more than 100 comment letters from the manufactured housing industry, homeowners and other stakeholders were received. Bringing this critically important rulemaking to a conclusion appears to be stalled while the agency lacks a director. Other HERA rulemaking remains pending.

The first quarter of 2010 is over. Thousands of housing units, manufactured homes owned by low-income homeowners but located on “commercial” rental sites are at risk in the current commercial finance market. The efforts of organizations trying to empower some homeowners to buy their manufactured home communities cooperatively are stalled while the enterprises await rulemaking. Vacancies are mounting in these residential communities while efforts to develop single family financing for new manufactured homes are stalled.

The FHFA needs strong and stable leadership in order to carry out its mission and establish its mandated process for evaluating Fannie Mae’s and Freddie Mac’s duty to serve performance. Our respective September 2009 comment letters on duty to serve offer reasonable guidelines for serving low-income owners of manufactured homes in a safe and responsible way that takes into account the homeowners, the enterprises, FHFA, the industry and taxpayers.

We believe it is essential that a director for FHFA be appointed and confirmed quickly. We welcome the opportunity to meet with your staff to discuss these issues further and to recommend qualified individuals.

Sincerely,

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CC: The Honorable Christopher Dodd, Chair, Senate Committee on Banking, Housing and Urban Affairs
The Honorable Richard Shelby, Ranking Member, Senate Committee on Banking, Housing and Urban Affairs
The Honorable Barney Frank, Chair, House Financial Services Committee
The Honorable Spencer Bachus, Ranking Member, House Financial Services Committee
Donald Henry Gips, Assistant to the President and Director of Presidential Personnel