

August 13, 2021

VIA FEDERAL EXPRESS

Hon. Marcia Fudge  
Secretary  
U.S. Department of Housing and Urban Development  
Suite 10000  
451 7<sup>th</sup> Street, S.W.  
Washington, D.C. 20410

Ms. Sandra Thompson  
Acting Director  
Federal Housing Finance Agency  
Constitution Center  
400 7<sup>th</sup> Street, S.W.  
Washington, D.C. 20219

Re: Collaboration to Advance Fair Housing and Fair Lending

Dear Secretary Fudge and Acting Director Thompson:

On behalf of federally-regulated manufactured housing producers and the HUD Code manufactured housing industry as a whole, we are writing to thank you and congratulate you on the establishment of the August 12, 2021 Memorandum of Understanding Between the U.S. Department of Housing and Urban Development and the Federal Housing Finance Agency Regarding Fair Housing and Fair Lending Coordination (MOU).

As you know, and as we have previously communicated with both of you, manufactured housing, regulated by HUD, is the nation's most affordable source of non-subsidized housing and homeownership – particularly for lower and moderate-income families. Moreover, as has recently been documented by the Consumer Financial Protection Bureau, manufactured housing, and particularly manufactured homes financed through home-only personal property loans, are a significant housing resource for American minority communities.

Yet, the availability of manufactured housing and the affordable homeownership that it provides -- for all Americans -- has needlessly, baselessly and discriminatorily been subverted by local zoning mandates that exclude or severely restrict the placement of manufactured housing, as well as a lack of available and fully-market-competitive consumer financing, resulting from the longstanding refusal of Fannie Mae and Freddie Mac to provide secondary market and

securitization support for manufactured housing consumer loans, and particularly manufactured housing personal property loans.

Existing federal law, however, together with the Fair Housing Act and the August 12, 2021 MOU, provides HUD and FHFA with ample authority to address and correct these destructive limitations which undermine federal housing policy as established by Congress, as well as the economic justice principles of the Biden Administration. In particular, the enhanced federal preemption provision of the Manufactured Housing Improvement Act of 2000 provides HUD the authority to override discriminatory local zoning exclusions, while the Duty to Serve Underserved Markets (DTS) provision of the Housing and Economic Recovery Act of 2008 (HERA) provides FHFA with the authority to ensure that Fannie Mae and Freddie Mac support all elements of the manufactured housing consumer finance market in a market-significant manner.

Through the August 12, 2021 MOU, HUD and FHFA can now simultaneously and effectively address both of these baseless, discriminatory and indefensible constraints on the manufactured housing market and the availability of affordable manufactured housing for all Americans but, most especially, lower and moderate-income families who rely on manufactured housing as their main source of affordable housing and homeownership.

We urge you to utilize the instrumentalities of the MOU aggressively in pursuit of the federal housing objectives established by Congress through the 2000 manufactured housing reform law, DTS and HERA, and take concrete steps to eliminate existing discrimination against manufactured housing owners and purchasers.

As always, MHARR stands ready to assist both of you in this effort in any way possible, and will contact you soon to follow-up on this matter.

Thank you, and we appreciate your work on behalf of economic justice and equity.

Sincerely,

Mark Weiss  
President and CEO

cc: Hon. Joseph R. Biden  
Hon. Sherrod Brown  
Hon. Patrick Toomey  
Hon. Maxine Waters  
Hon. Patrick McHenry  
HUD Code Industry Manufacturers, Retailers, Communities, and Finance Companies