

December 16, 2021

VIA FEDERAL EXPRESS

Hon. Sandra L. Thompson
Director Nominee
Federal Housing Finance Agency
Constitution Center
400 7th Street, S.W.
Washington, D.C. 20219

Dear Ms. Thompson:

On behalf of the members of the Manufactured Housing Association for Regulatory Reform (MHARR), please accept our congratulations on your nomination, by President Biden, to become the Director of the Federal Housing Finance Agency (FHFA).

MHARR, as you know, is a Washington, D.C.-based national trade organization representing the rights and interests of producers of manufactured housing subject to regulation by the U.S. Department of Housing and Urban Development pursuant to the National Manufactured Housing Construction and Safety Standards Act of 1974, as amended by the Manufactured Housing Improvement Act of 2000 (42 U.S.C. 5401, et seq.).

MHARR appreciates and supports your nomination to become FHFA Director because no other FHFA director has had your level of specific knowledge regarding the manufactured housing consumer financing market and the urgent need for robust, market-significant support by the Government Sponsored Enterprises for all segments of the mainstream manufactured housing consumer financing market under the Duty to Serve Underserved Markets (DTS) mandate of the Housing and Economic Recovery Act of 2008 (HERA). We know this firsthand because of your extensive engagement with MHARR and our member-manufacturers in 2020. As we stressed at that time, however, DTS cannot and will not produce the type of positive results directed by Congress for lower and moderate-income American families who rely on manufactured homes, unless and until it includes market-significant levels of support for the personal property (chattel) loans which constitute nearly 80% of all manufactured home purchase loans.

More than 13 years after the enactment of DTS, though, neither Fannie Mae nor Freddie Mac has purchased a single manufactured home personal property loan and neither of the Enterprises currently has a plan or proposed plan for any such purchases. This represents a fundamental failure in the implementation of DTS that will continue to needlessly exclude large numbers of lower and moderate-income Americans from all of the economic and social benefits

of homeownership directly contrary to the express intent and purposes of Congress. And while it is not necessarily surprising that Fannie Mae and Freddie Mac would seek to continue their decades-long practice of discrimination against manufactured housing consumers (which DTS was meant to remedy) it *is* surprising and disappointing that FHFA would continue to directly and indirectly countenance such indefensible conduct. Thus, we hope and anticipate that your nomination will mean a significant change in direction at FHFA with respect to DTS and its implementation.

Accordingly, we ask that you exercise the full extent of your authority going forward to affirmatively require that both Fannie Mae and Freddie Mac end their decade-plus effort to avoid, evade and circumvent DTS within the mainstream manufactured housing market, and finally take steps to begin serving the vast bulk of that market, comprised of mainstream personal property loans, in a market-significant manner, under DTS.

Again, we congratulate you on your nomination, we appreciate your engagement with us in 2020, and look forward to meeting with you again in the very near future to advance real and meaningful change with respect to DTS going forward.

Sincerely,

Mark Weiss
President and CEO

cc: Hon. Joseph R. Biden
MHARR Members
Manufactured Housing Industry Finance Companies, Retailers and Communities