



MHI Continues to Push FHFA for Increased GSE Access for Manufactured Home Loans

In May, the Federal Housing Finance Agency (FHFA) released its *2014 Strategic Plan for the Conservatorships of Fannie Mae and Freddie Mac*. [Click here](#) to view the plan. Included in the agency's goals going forward for this year is a plan to revisit, and potentially re-propose, the Duty-to-Serve (DTS) rule that was issued in draft form in 2010.

The DTS requirement was established by Congress as part of the Housing and Economic Recovery Act of 2008 (HERA; P.L. 110-289). The legislation found that the GSEs had historically underserved three distinct housing markets: affordable housing, rural, and manufactured housing. As part of the requirement, Fannie and Freddie were tasked with establishing programs, including a secondary market access mechanism for manufactured home loans secured by personal property.

MHI has been working with its supporters on Capitol Hill to directly urge, recently confirmed, FHFA Director Mel Watt to expand the DTS rule to ensure that manufactured home loans secured by personal property have the ability to access Fannie Mae and Freddie Mac. In a letter sent to Director Watt, MHI indicates:

Manufactured home-only loans (aka personal property, chattel, etc.) comprise between 60-70 percent of all manufactured home financing. It is impossible, in any meaningful fashion, to dutifully serve the needs of the manufactured housing market—especially those seeking to benefit from the affordability of a manufactured home—without providing manufactured home loans secured by personal property the opportunity to access secondary market mechanisms, absent barriers and prejudicial treatment.

The initially proposed DTS rule, which has not been finalized, would exclude any requirements that Fannie Mae and Freddie Mac provide a secondary market outlet for manufactured home loans secured by personal property. More than 1,000 comments from manufactured housing industry stakeholders were filed in objection to the FHFA proposal.

However, given the conservatorship status of the GSEs the DTS requirement went unimplemented by then FHFA Acting Director Edward DeMarco. Watt's leadership has led the agency to take a renewed interest in this issue. FHFA recently allowed Freddie to expand its product offerings on manufactured home community loans—multi-family lending products.

MHI will continue to communicate to FHFA the critical role manufactured housing plays in serving the nation's affordable housing needs, particularly to rural and underserved areas. To view a copy of the letter, [click here](#).

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