

Welcome to the December 2016 E-blast from the **National Manufactured Home Owners Association (NMHOA)**. Please share these monthly E-blasts with as many home owners and other interested individuals as you have on your email list. The E-blast is an important way for NMHOA to share exciting news from across the country.

Thank You! – NMHOA is excited to welcome many new and renewing members from California, Nevada, Oregon, and Rhode Island, including the **Federation of Rhode Island Manufactured Home Owners (FMHORI)**. We thank you very much for your support and commitment to NMHOA!

USDA 502 Pilot Program Approved in California, New Hampshire, and Vermont

The U.S. Department of Agriculture (USDA) provides one of the most important sources of financing for low-income homebuyers in rural areas: the Rural Development 502 programs. This program also finances a large share of all conventional mortgages made on manufactured homes. In November, California joined New Hampshire and Vermont in a two-year, first of its kind pilot program for financing the purchase of energy-efficient manufactured and modular housing in land-lease communities.

Under the USDA's new 502 Energy Efficiency Manufactured Home Pilot Program, a low- or moderate-income home buyer interested in purchasing an energy-efficient manufactured or modular home and placing it in a manufactured home park would (if it is owned by a nonprofit, cooperative or tribal community) be eligible for a 30-year mortgage at a 3.25 percent rate. Very low income home buyers may be eligible for an interest subsidy down to 1 percent. It is the first program of its kind for residents of manufactured home communities.

FHFA Releases Strong “Duty to Serve” Rule ***Final Rule Strengthens Financing Options for Owners of Manufactured Homes***

The Housing and Economic Recovery Act of 2008 (HERA) amended the Federal Housing Enterprises Financial Safety and Soundness Act of 1992 to establish a duty for Fannie Mae (the Federal National Mortgage Association) and Freddie Mac (the Federal Home Loan Mortgage Corporation) to serve three specific underserved markets – manufactured housing, affordable housing preservation, and rural markets – in order to improve housing financing options for very low-, low-, and moderate-income families.

The Federal Housing Finance Agency (FHFA) has issued its final “duty to serve” rule which establishes a framework for how the agency will evaluate and rate the compliance of Fannie Mae and Freddie Mac (jointly referred to as the “Enterprises”) with their obligation to support these three underserved markets. The rule is posted here: <https://www.fhfa.gov/SupervisionRegulation/Rules/Pages/Enterprise-Duty-to-Serve-Underserved-Markets-Final-Rule.aspx>

In the case of manufactured housing, the rule will:

- **Allow blanket loans for manufactured home community purchases by residents and nonprofits as well as purchases of communities that provide certain tenant protections.** The proposed rule supports both mission-driven community ownership and protections for home owners. It does so by granting Duty to Serve credit to the Enterprises for blanket loans that allow community purchases either by residents, nonprofits and government instrumentalities, or when those communities provide certain minimum tenant protections. It does so without the language in earlier drafts that would have applied the rule only to those communities

with 150 or fewer home pads.

- **Support a manufactured home chattel loan pilot.** The rule will make Duty to Serve credit available for Enterprise activities supporting manufactured homes titled as either real estate or personal property. This is important because most states present significant barriers to titling manufactured homes as real property and instead classify these homes as personal (or chattel) property. It is therefore very significant the final rule would make eligible for Duty to Serve credit either a safe chattel pilot for loans on manufactured homes titled as personal property, or the research necessary to create such a safe and sustainable loan product.

In January, FHFA will open a 60-day period for public input on what the Enterprises should consider including in a chattel pilot. In January and February, FHFA, Fannie Mae and Freddie Mac will host four public listening sessions to get feedback on all of these plans. Registration will open after December 19 at www.FHFA.gov/DTS. The sessions are scheduled as follows:

- **January 25**, at the Federal Reserve Bank of Chicago
- **February 1**, at the Federal Reserve Bank of San Francisco
- **February 8**, at FHFA in Washington, D.C.
- **February 9** (webinar)

Members only – please keep in mind that NMHOA members receive an additional eblast every month – *i'mPOWERED* – this is an educational publication with useful information related to board governance, health and safety reminders for manufactured homeowners, and other helpful articles. There is also a **Did You Know** section and an **Ask Dave** section – so if you have questions about anything related to manufactured home living and you are a member of NMHOA, please contact Dave at admin@nmhoa.org with your burning questions. For your convenience, a membership form is a click away at: <http://www.nmhoa.org/membership.html>

You can read all about NMHOA at the NMHOA webpage: www.nmhoa.org and please “like” our facebook page: <http://www.facebook.com/NationalManufacturedHomeOwnersAssociation>

If there are stories or legislative successes from your state you would like to share through our E-blasts, please contact NMHOA Executive Director, Dave Anderson at: david.r.anderson.nmhoa@gmail.com. Your story will inspire and educate others.