



NATIONAL  
MULTIFAMILY  
HOUSING  
COUNCIL



September 1, 2017

Alfred M. Pollard  
General Counsel  
Federal Housing Finance Agency  
400 Seventh Street, SW, 8<sup>th</sup> floor  
Washington, DC 20019

Subject: Comments to RIN 2590-AA81 2018-2020 Enterprise Housing Goals

Dear Mr. Pollard,

The National Multifamily Housing Council (“NMHC”) and the National Apartment Association (“NAA”) appreciates the opportunity to respond to the request for comment on the proposed rule on the 2018-2020 housing goals for the Enterprises RIN 2590-AA81. The multifamily industry plays a key role in serving the housing needs of more than 38.8 million Americans. We applaud and support FHFA’s commitment to establish and maintain housing goals that measure the Enterprises success in meeting their public purpose to finance affordable housing and maintain a strong financial condition while producing a reasonable economic return.

The Enterprises are one of a number of sources of capital to the apartment industry, a segment of our housing market that is generally affordable. FHFA recognizes this important role in a thoughtful and deliberate approach to monitor and evaluate the Enterprises role during the Plan years and make policy adjustments as necessary. The proposed multifamily housing goals for low-income, very low income, small loans are balanced and provide the correct incentives to the Enterprises to serve the financing needs of affordable rental housing.

As noted, we believe the housing goals are balanced and fair, however, they continue to be determined by unit count and not percentage of business. We concur that the lack of a reliable data set prevents the establishment of housing goals as a percentage of business rather than total units, however, we support the re-evaluation of this type of goal as better data is obtained, possibly through new HMDA reporting requirements. This new data set may provide the basis to modify the housing goals during the Plan period, however, we encourage FHFA to continue to evaluate ways to obtain the data. Changing to a percentage of business goal would remove the challenge of estimating the annual total demand for multifamily debt in order to determine housing goals.

*Section VI. Changes to Definitions* regarding subsection *D. Housing Plan Timing* identifies a proposed change to 12 CFR 1282.21 (b)(3), the current process for addressing the failure of an Enterprise to achieve a housing goal. The proposal provides the Director the discretion to identify an undefined period for the housing goal to be achieved. We recommend that this period, be time bound and defined within the proposed modification to the rule.

We look forward to working with you and to your support of multifamily housing finance that broadly serves rental housing needs. If you have any questions, please contact David Borsos (NMHC) at 202-974-2336.

Sincerely,



Doug Bibby  
President  
National Multifamily Housing Council



Robert Pinnegar, CAE  
President & CEO  
National Apartment Association