

Regulations Division  
Office of General Counsel  
Department of Housing and Urban Development  
451 Seventh Street, Room 10276  
Washington, DC 20410-0500

August 4, 2006

**RE: Docket No. FR-5014-P-01, RIN 2501-AD17**

To Whom It May Concern:

Opportunity Finance Network appreciates the opportunity to comment on the Department of Housing and Urban Development's (HUD) proposal to amend definitions relating to its oversight of Fannie Mae and Freddie Mac.

Opportunity Finance Network applauds HUD for its continued efforts to combat predatory lending practices and ensure a responsible mortgage system. We support strong legislative and regulatory solutions that facilitate affordable, responsible credit for all Americans.

We support the current proposal to change the definitions of "mortgages with unacceptable terms and conditions or resulting from unacceptable practices" and "mortgages contrary to good lending practices." (12 CFR 81.2) As the regulator of the government-sponsored enterprises' (GSEs) mission activities, it is appropriate for HUD to have a role in the determination of inappropriate lending activity and to help ensure that the GSEs do not contribute to—and, where possible, counter—such activity. While the GSEs have taken an active role in promoting responsible lending, it is appropriate for HUD to have the authority to consider practices to add to its list of abusive lending based on the experience of public and private stakeholders other than the GSEs themselves.

The public process that HUD proposes is sufficient to ensure that any additions to its list of unacceptable practices are carefully considered. We urge HUD to pay special attention to any proposed additions that would significantly impact the GSEs' ability to reach their affordable housing goals. We do not mean to suggest that HUD should reject any additions that might make the goals more difficult; however, HUD has set ambitious housing goals for the GSEs and should be wary of "fast-track" rulemaking that would have a significant impact on these goals.

We thank you for the opportunity to comment and look forward to working in partnership with HUD and the GSEs to reduce unscrupulous lending practices. If you have questions or concerns about these comments, please do not hesitate to contact me at 215.320.4304 or [mpinsky@opportunityfinance.net](mailto:mpinsky@opportunityfinance.net).

Sincerely,



Mark Pinsky  
President and CEO