



February 23, 2010

Regulations Division
Office of General Counsel
Department of Housing and Urban Development
451 7th Street, SW, Room 10276
Washington, DC 20410-0500

Subject: Proposed Rule: SAFE Mortgage Licensing Act: HUD Responsibilities under the SAFE Act
74 Federal Register 66548-66562
Docket No. FR-5271-P-01

To Whom It May Concern:

Thank you for the opportunity to comment on the "SAFE Mortgage Licensing Act: HUD Responsibilities Under the SAFE Act" Proposed Rule from the Department of Housing and Urban Development, as set forth in the Federal Register on December 15, 2009. The National Community Land Trust Network (Network) respectfully recommends that HUD **exempt from the registration and licensing requirement of the SAFE Act staff working for housing nonprofits with tax exempt status under 501(c)(3) of the Internal Revenue Code** that:

- Receive HUD funds (including, but not limited to CDBG, HOME, NSP, SHOP and other HUD funding; or
- Receive other federal, state or local funds; or
- Are Community Housing Development Organizations ("CHDOs") or Community Land Trusts ("CLTs") under Section 233 of the National Housing Act; or
- Are HUD-certified housing counselors.

Given the charitable mission of these organizations, the fact that there is existing oversight from the federal, state or local funding sources and that they have a demonstrated track record of administering federal, state and local funds to develop and steward affordable housing for lower income persons, the staff of these nonprofit organizations should not be required to meet the registration and licensing requirements of the SAFE Act.

About the National Community Land Trust (CLT) Network:

The National CLT Network provides training, public policy support, networking opportunities and resources for its member organizations, which nurture and sustain healthy and economically diverse communities by providing permanently affordable access to land, homes and related resources. The network aims to help supply decent, affordable housing in cities and rural communities across America by ensuring that property remains affordable even as land values increase. There are over 240 CLTs nationwide. For information, visit www.clnetwork.org.

About Community Land Trusts (CLTs):

While home foreclosures are devastating families and neighborhoods across America, community land trusts are proving to be a highly effective way to create and sustain stable neighborhoods. The March 2009 national CLT foreclosure survey indicated that the lower income CLT homeowners were 6 times less likely to be in foreclosure, and the vast majority of homeowners had fixed rate mortgages. Community land trusts

work at the front end with buyers and typically have not allow the kind of ‘too-good-to-be-true’ financing that has taken down so many American families. CLTs are also long term stewards. They support homeowners from time of purchase to time of sale. This long-term relationship between CLT organizations and homeowners is not only unique, but also highly effective. Adding additional licensing requirements will create an additional burden for these nonprofit housing providers.

Congress intended to regulate the residential mortgage industry which profits from the origination and servicing of mortgage loans; Congress did not intend to regulate the nonprofit organizations which are making homes affordable to lower income residents.

Thank you for your consideration of these comments and for your efforts on behalf of consumers and the mortgage markets. Please feel free to contact our Executive Director, Roger Lewis for any clarification of these comments.

Sincerely,

A handwritten signature in black ink, appearing to read 'Roger Lewis', written in a cursive style.

Roger Lewis
Executive Director