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**VIA EMAIL AND U.S. MAIL**

July 14, 2018  
Regulations Division  
Office of General Counsel  
Department of Housing and Urban Development  
451 7th Street, SW, Room 10276  
Washington, DC 20410-0500

**Re: Ginnie Mae's Interpretive Rule on Multi-Class Securities Treatment under the Economic Growth, Regulatory Relief, and Consumer Protection Act**

Dear Mr. Compton:

The Housing Policy Council appreciates the opportunity to comment on the U.S. Department of Housing and Urban Development's (HUD) interpretation of Section 309 of the Economic Growth, Regulatory Relief, and Consumer Protection Act (Act) as it applies to Ginnie Mae multi-class securities. The HUD interpretation reflects a thoughtful, well-reasoned, and practical understanding of the intent of Congress. This law was clearly intended to be applied in a prospective manner, to prevent any harmful impact on the marketplace, the industry, and veteran consumers who rely on Veterans Administration home loans. HPC fully supports the HUD interpretation of the Act.

HPC also applauds HUD and Ginnie Mae for quickly and decisively determining the correct course of action to protect multi-class securities. The timely publication of guidance, via a Ginnie Mae All-Participants Memorandum, prevented any market disruption and provided the industry with a strong signal that Ginnie Mae recognizes the importance of quick and definitive policy information during times of uncertainty. The industry appreciates the responsiveness of the Department and believes that the proactive communications from Ginnie Mae represent the kind of positive and proactive engagement that serve the market and consumers well.



HPC fully supports and affirms the three elements of the HUD interpretation, including: a) the distinct language used to describe mortgage-backed securities (MBS) affected by this law as those composed of mortgages rather than those produced from pre-existing MBS; b) the purpose of the statute, to modify lender behavior prospectively, rather than retroactively; and c) the detrimental impact on veterans that could arise from an interpretation that would create an impairment on existing VA loans and securities. Each of these arguments could stand on its own to ground the HUD interpretation, but collectively, demonstrate an unequivocally accurate reading of the statute.

Thank you for the opportunity to review the HUD interpretation of the law and for allowing HPC to provide input. We commend your actions and support your interpretive rule. Should you have any questions or wish to speak with us about this response, please do not hesitate to call Meg Burns, SVP for Mortgage Policy at 202-589-1926.

Yours truly,

A handwritten signature in black ink that reads "Edward J. DeMarco". The signature is written in a cursive, slightly slanted style.

Edward J. DeMarco  
President  
Housing Policy Council