

Fair Manufactured Housing Lending Act

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Manufactured housing is growing into a larger share of our national housing supply and is often a more affordable option for many individuals and families. Manufactured homebuyers, however, face many hurdles to access mortgages and lack the same safeguards as other homebuyers. Consumer safeguards for manufactured housing lending have been undermined since 2018, when former President Trump signed S. 2155, the Economic Growth, Regulatory Relief, and Consumer Protection Act, into law. This shortsighted legislation rolled back crucial consumer protections that kept Americans financially secure during our recovery from the Great Recession, as well as widened carve outs in the Truth in Lending Act and Home Mortgage Disclosure Act.

S. 2155 exempted manufactured housing retailers from the definition of mortgage originator under the Truth in Lending Act, and replaced substantive lending protections with ineffective disclosure requirements. Mortgage originators are prohibited from steering consumers to certain lenders or receiving unfair compensation based on loan transactions. Past investigations have shown that the [manufactured housing industry is rife](#) with predatory lending and conflicts of interest. Exempting manufactured housing retailers from the Truth in Lending Act requirements puts manufactured homeowners at risk.

The Fair Manufactured Housing Lending Act would repeal this exemption and restore manufactured housing retailers and their employees to the definition of mortgage originator. Correcting this exemption will create a level playing field for manufactured homebuyers, and make sure they are not taken advantage of by unscrupulous retailers who may divert borrowers to more expensive, affiliated lenders.

Endorsements: Prosperity Now, National Consumer Law Center (on behalf of its low-income clients), All Parks Alliance for Change (APAC), Americans for Financial Reform, CASA of Oregon, Center for Responsible Lending, Consumer Action, Consumer Federation of America, National Association of Consumer Advocates, National Housing Law Project, National Low Income Housing Coalition, National Manufactured Home Owners Association, Network for Oregon Affordable Housing, Public Citizen, and Woodstock Institute