



May 31, 2022

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

**Re: Increased Forty-Year Term for Loan Modifications
Docket No. FR-6263-P-01**

To Whom it May Concern:

The Ohio Credit Union League (OCUL) represents the collective interests of Ohio's 232 credit unions and their 3.1 million members. Of those 232 credit unions, 127 are federally-chartered; 60 state-chartered, federally-insured; and 45 state-chartered, privately-insured, with an average asset size of \$172 million. OCUL appreciates the opportunity to engage the Department of Housing and Urban Development (HUD) on its request for comment on a proposed rule to amend the Federal Housing Administration (FHA) insured mortgage term limits from 360 months to 480 months.

First, OCUL proudly supports the freedom for credit unions to leverage options in independent decision-making to drive better service and outcomes for members. As not-for-profit, member-owned financial cooperatives, Ohio credit unions continue to prioritize the financial well-being of members so they can take care of their families impacted by the economic environment wrought by the COVID-19 pandemic. Increasing the maximum term limit to 480 months would allow mortgagees to reduce monthly payments as outstanding balances would be spread over a longer loan term, providing more borrowers with FHA-insured mortgages the ability to remain in their homes and avoid foreclosure.

Second, a 40-year extended term could be used as a wealth-building strategy for many. While a 40-year loan term delays the equity building process, increases interest payments, and potentially makes a homebuyer more susceptible to going "underwater" when home values decline during recessions, it does allow consumers struggling to achieve a lower payment a chance to pursue their dreams of homeownership.

Lastly, OCUL has long advocated for consistent and predictable federal regulation, as well as parity between regulators. This change would align the FHA with mortgages backed by the Federal National Mortgage Association (Fannie Mae) and the Federal Home Loan Mortgage Corporation (Freddie Mac), as well as the rules of the National Credit Union Association (NCUA), which all currently provide a 40-year loan modification option.

OCUL appreciates the opportunity to engage with the HUD on the various ways Ohio credit unions can better serve their members and provide financial freedom, including homeownership resources, to all people, families, and communities.

Respectfully,

A handwritten signature in black ink, appearing to read "Paul L. Mercer".

Paul L. Mercer
President

A handwritten signature in black ink, appearing to read "Sean M. Brown".

Sean M. Brown, Esq.
Director, Regulatory Affairs