



U. S. Department of Housing and Urban Development
Washington, D.C. 20410-8000

SEP 15 1999

OFFICE OF THE ASSISTANT SECRETARY
FOR HOUSING-FEDERAL HOUSING COMMISSIONER

Ms. Bobbie Singh-Allen
Government Relations Director
Nehemiah Progressive Housing
Development Corporation
1851 Heritage Lane, Suite 201
Sacramento, CA 95815-4932

Dear Ms. Singh-Allen:

On behalf of Secretary Cuomo, thank you for your letter of August 19, 1999, regarding your proposal to regulate nonprofit participation in FHA's programs. It was referred to this office for a response.

While your proposals are interesting, at this time we do not see the advantages to FHA of imposing the additional regulations for nonprofit participation described in your letter. At the very least, we believe that several of your proposals may require the rather protracted and rigorous process of rule-making rather than simply issuing a mortgagee letter as you suggested. In any event, we will keep your letter and accompanying brochures as reference materials should we elect to seek changes to these programs.

Thank you for your continued interest in FHA's mortgage insurance programs.

Sincerely,

Morris E. Carter
Acting Director
Office of Insured Single Family Housing