Sandra Thompson

Acting Director, Federal Housing Finance Agency

Office of Housing and Regulatory Policy

400 7th Street SW, 9th Floor

Washington, DC 20219

**RE:** **Request for input: Short Term Rental Units in Condominium, Cooperative, and Planned Unit Development Projects**

**Submit comments to:** [**https://www.fhfa.gov/AboutUs/Contact/Pages/Request-for-Information-Form.aspx**](https://www.fhfa.gov/AboutUs/Contact/Pages/Request-for-Information-Form.aspx)

Dear Acting Director Thompson:

Aspen Board of Realtors appreciates the opportunity to provide information and comments in response to the recentRequest for Input on Short Term Rental Units in Condominium, Cooperative, and Planned Unit Development Projects. On October 7, 2020, Fannie Mae modified its lending rules to tighten parameters on whether or not the GSE will lend in properties with significant short-term rentals and hotel-like amenities, known as condo-tels.

Aspen Board of Realtors has several concerns about these modifications to Fannie Mae’s condo-lending protocols, including:

* The modified requirements contain ambiguous and undefined language that could complicate Fannie Mae’s designation process, such as what constitutes “seasonal rental” and how long an owner needs to reside in the property.
* The modifications to the single-family guides that could limit and restrict financing options in markets with large numbers of second homes or projects with high shares of second homes, even though these specific properties may have excellent underlying loan values.
* By leaving the determination of eligibility of projects up to lenders who may not have the skill or expertise to review all relevant information relating to a designation of a specific property, further harm is imposed on potential buyers and the communities through inaccurate or incomplete eligibility determinations.
* Condo boards and Homeowners Associations (HOAs) do not have a way to appeal Fannie Mae’s designation of their property, examine their lender review, or provide additional input that could change Fannie Mae’s decision or assessment of their project.
* ***This modification will have HUGE impact on our real estate values and will discourage the building of new homes and condominiums if the new product can’t be rented short term. Our “busy times” as a community are very seasonal and short term, many of our workers are seasonal and many home owners and developers build projects and homes that can be used/rented by workers and visitors alike. Our community needs BOTH seasonal/short term workers and short rental tourists to survive. Our businesses can’t survive without workers or tourists so the short-term rentals help keep our community going.***
* ***This change will most likely slow down the purchasing of investment properties and 2nd home purchases. It would also devalue properties. We have 824 realtors in our area and they will be significantly impacted by the inability to rent properties they once could rent and without being able to sell the fact that these properties can generate income when the home owner isn’t using them will certainly slow down the interest in our community. Our community NEEDS short term rentals for all businesses from the Aspen Skiing Company, to restaurants, to locally owned retails shops, to guide services and real estate brokers, offices and rental agencies.***

Fannie Mae should carefully review all comments received in response to this RFI and make changes necessary to ensure these modifications help manage Fannie Mae’s portfolio risk without unduly harming the economies that rely on resort and second-home real estate activity.

Sincerely,

Ashley Chod

Chairwoman of the Aspen Board of Realtors

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