

Steve Brown, AB, CIPS, CRS, GREEN
2014 President

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July 9, 2014

The Honorable John Carney
United States House of Representatives
1406 Longworth House Office Building
Washington, DC 20515

The Honorable John Delaney
United States House of Representatives
1632 Longworth House Office Building
Washington, DC 20515

The Honorable Jim Himes
United States House of Representatives
119 Cannon House Office Building
Washington, DC 20515

Dear Representatives Carney, Delaney, and Himes:

On behalf of the one million members of the National Association of REALTORS® (NAR), thank you for introducing the “Partnership to Strengthen Homeownership Act of 2014,” a comprehensive approach to reforming the secondary mortgage market. While we continue to analyze how the details of this new housing finance structure will impact the cost of mortgages for consumers, we greatly appreciate your efforts in providing another legislative option that protects the affordable 30-year fixed rate mortgage, shields taxpayers from unnecessary bailouts, and ensures the availability of mortgage capital in all markets and under all economic conditions.

The efforts that you have undertaken reflect a methodical, measured, and comprehensive approach that is based on practical application and not just academic theory. REALTORS® are confident that by using such an approach, there will remain a level of certainty in the marketplace that will allow our housing finance markets to continue operating until reform is fully implemented.

As NAR has mentioned in numerous letters to the House Financial Services Committee, we strongly believe that reform of our housing finance system is required, as the current conservatorship of Fannie Mae and Freddie Mac is unsustainable. Specifically, we object to legislation that would dismantle Fannie Mae and Freddie Mac without identifying a viable replacement, thus reducing the number of qualified borrowers who can access affordable mortgages.

REALTORS® want to see more private capital involved in our housing finance system. However, for the past several years lending has been constrained as private lenders pulled back from mortgage markets. Without the federal government clearly, and explicitly, offering a guarantee for some mortgage products, affordable mortgage financing will not be consistently available in all market conditions. NAR supports the thoughtful approach you have taken with regard to the government’s role in the secondary mortgage market.



It is no secret that housing is the linchpin of our economy. It creates jobs and provides revenue for our state and local governments in support of our communities. More importantly, homeownership fosters participation in communities and affords all households the opportunity to establish permanent roots in this great nation.

The time has come for serious discussion regarding comprehensive reform to our nation's housing finance system. NAR looks forward to working with you, and all who believe homeownership remains a significant part of the American Dream, to ensure the enactment of comprehensive and effective housing finance reform legislation.

Sincerely,

A handwritten signature in blue ink that reads "Steve Brown". The signature is fluid and cursive, with a long horizontal line extending to the right.

Steve Brown
2014 President, National Association of REALTORS®

cc: Members of the United States House Committee on Financial Services