November 3, 2011

United States Senate
Washington, DC 20510

Dear Conferee:

American families are still struggling. None of us thought the economic crisis would last this long. Housing and mortgage markets remain weak. Making changes that can negatively impact these industries will harm our economic recovery. The undersigned organizations strongly urge you to retain the provision temporarily restoring the mortgage loan limits in the Senate-passed TTHUD bill.

Fragile housing markets cannot handle the changes that restrict mortgage liquidity. This provision is fully paid for by borrowers using the higher limit loans, and will avoid market disruption. We all look forward to working with Congress as you debate mortgage market reform. But in the meantime, we urge you to do no harm.

Restoring the loan limits is not just a high cost area issue. The reduction of the formula from 125% to 115% will impact approximately 593 counties in 42 states. These include more than 100 counties throughout the Midwest, and more than 200 counties in the South. The average decline in non-high cost areas will be more than $64,000. If families cannot obtain financing to buy, sellers will need to further reduce the price on their home. This will further erode the wealth of American families and will delay the nation's economic recovery.

Do not precipitate more turmoil in local markets. Housing is the cornerstone of our economy, and further disruption to this market will have serious negative consequences. We urge you to retain this provision, which is fully paid for, and will protect American families.

Sincerely,

American Land Title Association
Community Mortgage Lenders of America
Credit Union National Association
Leading Builders of America
Mortgage Bankers Association
National Association of Home Builders
National Association of REALTORS®
National League of Cities
Realogy Corporation
U.S. Conference of Mayors
VA Mortgage Center