

The Honorable Tim Johnson  
Chairman  
Committee on Banking, Housing and Urban  
Affairs  
534 Dirksen Senate Office Building  
Washington, DC 20510

The Honorable Mike Crapo  
Ranking Member  
Committee on Banking, Housing, and Urban  
Affairs  
534 Dirksen Senate Office Building  
Washington, DC 20510

March 22, 2013

Dear Chairman Johnson and Ranking Member Crapo:

The undersigned organizations wish to express our support for the Johnson-Crapo Amendment #593 to ensure Fannie Mae and Freddie Mac credit risk guarantee fees (g-fees) are no longer used to offset the costs associated with unrelated policies that increase the deficit.

G-fees are a critical risk management tool used by Fannie Mae and Freddie Mac to protect against losses from faulty loans, and should be used only to manage the companies' credit risk. Increasing g-fees for other purposes effectively taxes potential homebuyers and consumers wishing to refinance their mortgages. G-fee increases unrelated to housing could also act to hinder the necessary reforms required of the housing finance system in the years ahead.

We are united in our belief that using g-fees as a funding mechanism places an unnecessary burden on homeowners and prevents Fannie Mae and Freddie Mac from effectively managing their risk, and urge the Senate to pass the Johnson-Crapo Amendment #593.

Sincerely,

American Bankers Association  
American Land Title Association  
Community Mortgage Lenders of America  
Credit Union National Association  
Financial Services Roundtable  
Housing Policy Council  
Mortgage Bankers Association  
National Association of Federal Credit Unions  
National Association of Home Builders  
National Association of Realtors  
Real Estate Valuation Advocacy Association