



NATIONAL ASSOCIATION OF REALTORS®

The Voice For Real Estate®

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February 9, 2009

United States Senate
Washington, DC 20510

Dear Senator:

On behalf of the 1.2 million members of the National Association of REALTORS® (NAR), I urge you to vote for H.R.1, the “American Recovery and Reinvestment Act of 2009.” NAR’s members believe this legislation includes provisions needed to strengthen housing markets and get our economy back on the right track.

A reformulated homebuyer tax credit is necessary to get qualified homebuyers off the fence and into the housing market. Without these buyers, markets will continue to stagnate, and house prices will continue to fall in many markets. The up-to-\$15,000 tax credit for all homebuyers will have a significant stimulative impact throughout the economy and will help generate market activity that can boost consumer confidence in the housing market itself.

We are disappointed that, unlike the House, the Senate stimulus drafts do not include provisions to restore the FHA and GSE loan limits to their 2008 levels. On January 1st, 2009 the loan limits for FHA, Freddie Mac and Fannie Mae fell dramatically in many communities – not just in high cost areas. There are 612 counties in 40 states and the District of Columbia that have been hurt by the loan limit changes. The average decline in loan limits is \$51,000. In today’s economy, lowering the loan limits further restricts liquidity and makes mortgages more expensive for households nationwide. Without affordable financing, families are unable to purchase or refinance homes, which will continue to prolong our housing crisis.

The nation's recovery depends on stabilizing the real estate market. The National Association of REALTORS® believes the stimulus must bring homebuyers back into the market and reduce inventory in order to stabilize home prices and spur an economic recovery. Please support passage of H.R. 1, and ensure that any final bill that goes to the President includes a \$15,000 homebuyer tax credit, and higher loan limits for FHA, Fannie Mae and Freddie Mac.

Sincerely,

Charles McMillan, CIPS, GRI
2009 President, National Association of REALTORS®