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Dear Representative:

On behalf of the one million members of the National Association of REALTORS® (NAR), we ask that you vote for H.R. 3211, the Mortgage Choice Act. Demonstrating its bipartisan appeal, the Mortgage Choice Act's original sponsors include Representatives Bill Huizenga (R-MI), Gregory Meeks (D-NY), Spencer Bachus (R-AL), David Scott (D-GA), Ed Royce (R-CA), Mike Doyle (D-PA), Steve Stivers (R-OH), Gary Peters (D-MI), Patrick Murphy (D-FL), and Betty McCollum (D-MN). H.R. 3211 passed out of the House Financial Services Committee on Wednesday May 7, 2014 by voice vote and will be considered in the coming days by the full House of Representatives.

The National Association of REALTORS® is America's largest trade association, including NAR's five commercial real estate institutes and its societies and councils. REALTORS® are involved in all aspects of the residential and commercial real estate industries and belong to one or more of some 1,400 local associations or boards, and 54 state and territory associations of REALTORS®.

H.R. 3211 is a bipartisan compromise of earlier legislation (H.R. 1077) that reduces discrimination against mortgage firms with affiliates in the calculation of fees and points under the Qualified Mortgage (QM) rule. The QM rule sets the standard for mortgages by providing significant compliance certainty to QM loans that do not have risky features and meet certain other requirements. A key requirement is that points and fees for a QM may not exceed 3 percent of the loan amount. However, under current law and rules, what constitutes a "fee" or a "point" varies greatly depending upon who is making the loan and what arrangements are made by consumers to obtain closing services. As a result of these definitions, many loan originators affiliated with other settlement service providers are not be able to make QM loans to a significant segment of otherwise qualified borrowers.

H.R. 3211 endeavors to restore a competitive market among lenders by clarifying and rationalizing the definition of fees and points to reduce this discrimination. By doing so, H.R. 3211 will ensure that consumers have greater access to mortgage credit and also more choices in credit providers. Without H.R. 3211, both choice and access is reduced, affecting many consumers and those who serve them. Therefore REALTORS® ask that you support and vote for H.R. 3211.

Sincerely,

Steve Brown
2014 President, National Association of REALTORS®



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