



NATIONAL ASSOCIATION OF REALTORS®

The Voice For Real Estate®

500 New Jersey Avenue, N.W.
Washington, DC 20001-2020
202.383.1194 Fax 202.383.7580
www.realtors.org/governmentaffairs

Pat Vredevoogd Combs
ABR, CRS, GRI, PMN
President

Dale A. Stinton
CAE, CPA, CMA, RCE
EVP/CEO

GOVERNMENT AFFAIRS
Jerry Giovaniello, Senior Vice President
Walter J. Witek, Jr., Vice President
Gary Weaver, Vice President

September 6, 2007

U.S. House of Representatives
Washington, DC 20515

Dear Representative:

On behalf of the 1.3 million members of the NATIONAL ASSOCIATION OF REALTORS®, we urge your support of H.R. 1852, the “Expanding American Homeownership Act of 2007.” FHA (Federal Housing Administration) Reform is needed now, more than ever. Working families who want to achieve the American dream deserve access to safe, affordable credit to make that dream a reality.

The current increase in foreclosures is troubling to all of us. A dramatic rise in sub-prime lending, exotic mortgages and predatory loans – coupled with slowing home price appreciation - all contributed to this crisis. In 1934 the Federal Housing Administration was established to provide consumers an alternative during a similar lending crisis. However, where FHA was once a mortgage innovator, today it has stagnated because it has not kept pace with changes in the mortgage marketplace leading to significant numbers of homebuyers turning to sub-prime or non-traditional as their home financing choice. For some, the American dream has become a nightmare.

The FHA program makes it possible for higher-risk, yet credit-worthy borrowers to obtain prime financing backed by the federal government. FHA products are safe, thanks to appropriate underwriting and loss-mitigation programs, and fairly priced without resorting to teaser rates or negative amortization. The National Association of REALTORS® urges your support of H.R. 1852 when the bill comes to the floor for a vote.

Sincerely,

Pat V. Combs, ABR, CRS, GRI, PMN
2007 President, National Association of REALTORS®