

**June 25, 2020**

**Vince Malta**  
2020 President

**Bob Goldberg**  
Chief Executive Officer

**ADVOCACY GROUP**

**William E. Malkasian**  
Chief Advocacy Officer / SVP

**Shannon McGahn**  
SVP Government Affairs

The Honorable Maxine Waters  
Chairwoman  
U.S. House Committee on Financial Services  
2221 Rayburn House Office Building  
Washington, DC 20515

Dear Chairwoman Waters:

On behalf of the 1.4 million members of the National Association of REALTORS®, thank you for your continued dedication to the Community Reinvestment Act (CRA). Actions taken by the very agencies designated with expanding access to homeownership should not risk curtailing access to responsible mortgages.

The OCC's update of CRA was issued without any analysis of the impact of the changes to CRA, despite the Federal Reserve Board of Governors' (FRB) provision of extensive data and analysis on CRA lending, and without the support of FRB or the Federal Deposit Insurance Corporation (FDIC), the other co-regulators of CRA. This schism deprived the OCC of an important opportunity to improve the new regulation and could encourage lending institutions to shop for the most lenient regulator, thus undermining CRA's goals.

Additionally, given the tremendous challenges faced by the lending and financial community in response to COVID-19, REALTORS® believe the rule should be deferred until after the end of the declared national emergency to give regulators and the financial community time to focus their efforts on the response to COVID-19. Beyond process, the rule also has several substantive shortfalls.

There are many instances where the new rule removes incentives to expand responsible mortgage lending, specifically: 1) it doesn't seem to weigh innovation in lending heavily; 2) it proposes a dollar value of lending rather than a unit count; 3) it deemphasizes banks' retail test, which includes mortgage originations that are not held on balance sheets; 4) the definition of financial literacy included in the NPRM is broad and not specific to LMI borrowers; and, 5) there is no requirement that its encouraged farm lending would serve low and moderate income individuals or families.

Congress should continue to ensure that the CRA can responsibly expand access to mortgage lending and other banking services to build homeownership and wealth in underserved communities.

Sincerely,



Vince Malta  
2020 President, National Association of REALTORS®

cc: U.S. House Committee on Financial Services

