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2020 President

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July 8, 2020

The Honorable Mike Crapo
Chairman
U.S. Senate Committee on Banking,
Housing, And Urban Affairs
239 Dirksen Senate Office Building
Washington, DC 20510

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

The Honorable Sherrod Brown
Ranking Member
U.S. Senate Committee on Banking,
Housing, And Urban Affairs
503 Hart Senate Office Building
Washington, DC 20510

The Honorable Patrick McHenry
Ranking Member
U.S. House Committee on Financial
Services
2004 Rayburn House Office Building
Washington, DC 20515

Dear Chairs Crapo and Waters, and Ranking Members Brown and McHenry:

The 1.4 million members of the National Association of REALTORS® thank you for keeping housing stability in mind as you consider legislative efforts to ensure the vitality of America's economy. Safe and secure access to housing for American families is critical for those impacted by the coronavirus pandemic. As your work continues, NAR urges you to address the following priorities:

Forbearance and Housing Stability

NAR is pleased that less than 9% of mortgages are currently in forbearance, meaning provisions like pandemic unemployment assistance (PUA) and various small business relief programs are working and the majority of Americans remain able to meet their financial obligations. NAR supports provisions allowing Fannie Mae, Freddie Mac, FHA, VA and USDA Rural Housing to offer forbearance to mortgage holders. However, should these pandemic-related assistance measures expire, we are concerned that many more people will struggle to make their upcoming mortgage payments. Additional missed mortgage payments could stress the mortgage markets, reduce liquidity and result in credit overlays, as we saw earlier this year. NAR supports additional efforts to provide emergency mortgage assistance, such as creating a housing assistance fund, and maintain consumer access to credit as part of any comprehensive plan to advance housing stability and liquidity in the mortgage market.

Rental Assistance

These same challenges extend to America's 43 million renter households. While most renters have continued to make their rent payments during this time, we have significant concerns that the circumstances could drastically change when additional federal support expires. NAR also strongly supports emergency rental assistance and we urge you to swiftly distribute funding to protect renters who may struggle to make ends meet.



Eviction Policy Clarity for Housing Providers

If residents cannot meet their full rent obligations, housing providers will also be at risk of not meeting their financial obligations, including their mortgage payments. This puts the property and the entire community at risk at a time when housing stability is desperately needed. REALTORS® urge you to consider that any further eviction moratorium must be narrowly tailored to provide relief to renters who are financially impacted due to COVID-19, as is required for housing providers seeking relief. Additionally, ambiguity in the definitions and notice to vacate language in the CARES Act has resulted in confusion among stakeholders and in the courts, leading to uneven application of the law across the country. We urge you to clarify the notice to vacate language to ensure property owners can effectively manage their properties during the crisis.

Credit Score Information and Accuracy

The CARES Act also included provisions to protect homeowners' credit. Yet, anecdotally, we have heard that lenders are inconsistently marking some homeowners who are complying with forbearance programs and also marking those who look into forbearance, but do not enter the program. Both trends could negatively impact their access to credit. Inaccurate credit reports and unfair credit reporting methods raise the cost to borrow and/or limit access to mortgage credit for many prospective borrowers. We urge you to provide further language to protect future access to credit for borrowers who are affected by the pandemic and receive or inquire about forbearance options.

Housing Counseling Funding

The economic fallout of the COVID-19 pandemic threatens housing security for many Americans. As forbearance measures end, many homeowners may be struggling with their repayment plans. Housing counseling could be an effective tool to help them manage their finances and remain in their homes after the pandemic. We urge you to provide additional funding for housing counseling programs.

The National Association of REALTORS® thanks you for continuing your work to ensure the financial viability and stability of America's housing market and economy as a whole. We stand ready to work with you as we weather this national health crisis.

Sincerely



Vince Malta

2020 President, National Association of REALTORS®

cc: U.S. Senate Committee on Banking, Housing, And Urban Affairs
U.S. House Committee on Financial Services