

March 25, 2021

Charlie Oppler
2021 President

Bob Goldberg
Chief Executive Officer

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

The Honorable Pat Toomey
Ranking Member
U.S. Senate Committee on Banking,
Housing, and Urban Affairs
248 Russell Senate Office Building
Washington, DC 20510

Dear Chairman Brown and Ranking Member Toomey:

ADVOCACY GROUP

Shannon McGahn
Chief Advocacy Officer

On behalf of the National Association of REALTORS®'s (NAR) 1.4 million members, we thank the Senate Committee on Banking, Housing, and Urban Affairs for holding last week's important hearing on "*Home = Life: The State of Housing in America*." NAR is invested in ensuring housing access for all Americans and to support consumers during this critical time as our nation strives toward economic resurgence. In the 117th Congress, NAR looks forward to working with you to enable a quick recovery after the COVID-19 pandemic, improve access to homeownership, promote fair housing for all, and build strong and resilient communities and businesses.

Pandemic Response

We are grateful for your support of housing and the role it plays supporting families and buttressing our economy. Your leadership role was crucial to the inclusion of housing supports found in the "American Rescue Plan of 2021" (ARP), which provided significant financial assistance to struggling businesses and consumers. Since the beginning of the pandemic, NAR has advocated for the self-employed, small business owners, consumers, and families, by advocating for homeowners and rental assistance, forbearance programs, unemployment benefits for those not traditionally eligible like independent contractors, greater credit reporting protections, use of alternative data in credit scoring, and innovative forms of financing to provide greater financial flexibility. Implementation of the ARP will continue to be crucial to ensuring housing stability for homeowners and renters. REALTORS® applaud and support these efforts and agree that more work needs to be done. Through this Committee's recent and ongoing actions, and those of Congress and the Administration, we are confident that our economy will bounce back.

Access to Homeownership

We are determined to work on behalf of consumers, communities, and REALTORS®, for many other priorities this year. In order to promote homeownership, NAR will continue to support GSE reform that adopts the utility model in order to protect the affordable 30-year fixed rate mortgage, which can be found anywhere in the nation. NAR will also advocate for



tax incentives for homeownership and the construction of affordable housing. We strongly support the President's \$15,000, first-time homebuyer tax credit proposal that could be particularly helpful for minority homebuyers and millennials who have struggled to save for a down payment while juggling student loan payments and relentless housing price growth across the country.

We also believe that it is important to provide tax incentives for the creation of more residential housing units. According to NAR's most recent Existing Home Sales Data, there is a severe shortage of homes available for sale and this is bidding up purchase prices and making it harder for families to purchase their first home. As of the end of February, housing inventory remained at a record-low of 1.03 million units, down by 29.5 percent year-over-year – a record decline. Properties typically sold in 20 days, also a record low. The result is that the median existing-home sales price rose 15.8 percent higher from one year ago (to \$313,000), with all regions posting double-digit price gains.¹

To improve with inventory, NAR supports tax credits to help convert unused commercial property into residences where it makes sense, along with incentives to train more workers to help build new homes because even with today's high unemployment, there is a shortage of skilled construction workers. Tax credit bonds could also encourage local governments to speed up the approval of zoning and other decisions that result in the creation of more residential units. With more flexibility in zoning to ease restrictions on housing development, in addition to a more permissive regulatory environments to promote permitting and incentivize rehabilitation, housing supply shortages may finally start to diminish, especially in the highly sought-after entry-level market.

Fair Housing

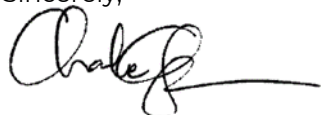
NAR will also continue to fight for a more inclusive national housing policy. REALTORS® are committed to fulfilling the promise of the *Fair Housing Act*. Building on our Fair Housing "ACT!" Plan (Accountability, Culture Change, and Training), NAR will lead the way toward policies and programs that help our members provide equal opportunity to all homebuyers and enable more people to build wealth through homeownership. In that vein, we hope to attract a diverse, inclusive next generation of practitioners. Furthermore, we will work to collaborate with a broad coalition of organizations—including multicultural real estate groups, lenders, and builders—to bring a collective voice to the mission of equal housing opportunity for all. Our combined thought leadership makes our voice stronger for this critical goal.

On this issue, we will do our part by promoting fair housing through NAR's implicit bias training, our recently released interactive fair housing simulation trainings, and by utilizing our constantly evolving member-oriented anti-discrimination initiatives.

Conclusion

The Pandemic has not created a crisis in housing so much as revealed long simmering challenges to strong communities and affordable homeownership. We appreciate your leadership in the past on all these issues. As always, we remain partners to address them in the future. Please feel free to contact me, or Christie DeSanctis, Director of Business and Conventional Finance (CDeSanctis@NAR.REALTOR), if you have any questions.

Sincerely,



Charlie Oppler
2021 President, National Association of REALTORS®

¹ <https://www.nar.realtor/newsroom/existing-home-sales-descend-6-6-in-february>.