



NATIONAL ASSOCIATION OF REALTORS®

The Voice For Real Estate®

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November 14, 2007

U.S. House of Representatives
Washington, DC 20515

Dear Representative:

On behalf of over 1.3 million members of the National Association of REALTORS®, I want to share our views on H.R. 3915, the “Mortgage Reform and Anti-Predatory Lending Act of 2007,” authored by House Financial Services Committee Chairman Barney Frank (D-MA) and supported by Ranking Member Representative Spencer Bachus (R-AL). We believe this bipartisan bill will go far towards preventing another subprime market failure that would further erode confidence in the Nation’s housing finance system.

While responsible subprime lenders have played an important role in helping millions of consumers achieve homeownership, abusive subprime lending has occurred much too often. As a result, roughly 2.2 million American households have been projected to lose their homes and as much as \$164 billion due to subprime mortgage foreclosures. Many of the provisions in H.R. 3915 are consistent with NAR’s “Responsible Lending Principles.” We believe our principles provide an appropriate basis for legislation that would help eliminate irresponsible practices such as making loans without sufficient regard to the borrower’s ability to repay the loan and avoid foreclosure.

NAR believes that H.R. 3915 could be enhanced by incorporating the provisions of H.R. 3837, the “Escrow, Appraisal and Mortgage Servicing Improvements Act” authored by Representative Paul Kanjorski (D-PA). The bipartisan measure brings much needed improvements to the appraisal industry and will mitigate many contributing factors to our current delinquency and foreclosure crisis.

The National Association of REALTORS® supports responsible lending, mortgage servicing and appraisal practices. We believe that together, H.R. 3915 and H.R. 3837 strike a delicate balance by keeping fair and affordable mortgage products available for borrowers with imperfect credit while closing the door on abusive lending practices.

Sincerely,

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