

August 5, 2021

The Honorable Mike Lee  
United States Senate  
361A Russell Senate Office Building  
Washington, D.C. 20510

Dear Senator Lee:

The memberships of the National Association of REALTORS®, the Mortgage Bankers Association, and the National Association of Home Builders thank you for introducing amendment 2441, which is intended to eliminate the use of fees on homebuyers to fund the infrastructure bill.

Our members appreciate the effort to invest in critical improvements to America's infrastructure. However, the U.S. also faces historical housing market challenges, including: a housing shortage of nearly 3.5 million units; more than 1.75 million homeowners who will need help transitioning out of forbearance; unprecedented low homeownership rates for the black and Latino communities; and, continuing efforts to expand homeownership to underserved rural and urban markets.

Guarantee fees charged by Fannie Mae and Freddie Mac (the GSEs) should be used for their designed purpose: to cover losses that occur in the natural course of business as well as their cost of operations. Use of these fees for non-housing purposes only hinders efforts to address the homeownership challenges described above. Consequently, we believe that the GSEs' guarantee fees should be set by the enterprises or their conservator to fund their operations in fulfillment of their charter duties, and that Congress should not statutorily raise these fees to fund other priorities.

Historically, housing has been an engine of both economic and social growth and investing in those goals remains salient today. The GSEs' congressionally chartered duties include support for a national mortgage market and ensuring that qualified borrowers have access to credit in all markets in both good and bad economic times. Raising guarantee fees as an offset for unrelated government expenditures undermines this mission.

Our members thank you for your leadership on this important issue.

