



NATIONAL ASSOCIATION OF REALTORS®

The Voice For Real Estate®

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The Honorable Hillary Rodham Clinton
476 Russell Senate Office Building
Washington, DC 20510

Dear Senator Clinton:

The NATIONAL ASSOCIATION OF REALTORS® is pleased to have had an opportunity to review your proposal for a temporary expansion of the mortgage revenue bond (MRB) program. The mortgage revenue bond program is one of the most efficient mechanisms available for moving capital into the mortgage markets.

Today, even credit-worthy lower-income individuals have few mortgage products available to them. Your proposal will enable state housing agencies to offer mortgage capital to them. The MRB program has a long history that is well understood in capital markets. Your proposal would enable the capital markets to bring mortgage products to the marketplace quickly and efficiently.

Your proposal would, for the first time, make MRB funds available for refinancing. Refinancing options are scarce for many borrowers today, particularly where home prices are declining. MRB funds would provide a new source of capital for refinancings at rates that will more readily match the ability of lower-income individuals to repay their loans.

A natural outcome of your bill is that more individuals and families would be able to stay in their homes without the threat of foreclosure. Refinancing existing loans to more affordable rates and prices that are based on current market information will be a boon to families that face very high interests rates – and very high payments -- on existing adjustable mortgages.

The MRB program has a long and consistent track record of sound mortgage lending. Moreover, the borrowers who benefit from the program have historically had very low delinquency and foreclosure rates.

Expanding the MRB program is a flexible, timely and much-needed improvement to current law. We look forward to working with you and the Senate to achieve quick enactment of this important element of a housing relief plan.

Sincerely,

Richard F. Gaylord, CIPS, CRB, CRS, GRI
2008 President, National Association of REALTORS®