



NATIONAL ASSOCIATION OF REALTORS®

The Voice For Real Estate®

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April 23, 2008

The Honorable Gerald McNerney
U.S. House of Representatives
312 Cannon House Office Building
Washington, DC 20515

Dear Congressman McNerney:

On behalf of the 1.2 million members of the National Association of REALTORS® (NAR), I want to convey the NAR's support for your amendment to H.R. 4884; the "Helping Our Veterans to Keep Their Homes Act of 2008," which would increase the Veterans Administration loan limit for VA guaranteed refinance home loans. This amendment will provide the nation's veterans with much needed options for refinancing an existing home loan.

Like many Americans today, some veteran homeowners have risky sub-prime loans that they will not be able to afford when the interest rate or loan terms reset. Existing statutes, however, will make it impossible for many of these veterans to refinance into a safe and affordable VA home loan. Current law limits the guaranty that can be used for a VA refinance loan to \$36,000. As a result, refinance loans of more than \$144,000 are not eligible for the 25 percent backing from the VA home loan program. Without the guaranty, lenders will be unlikely to extend the favorable terms available on a VA loan to veterans looking to refinance.

Your amendment would make the maximum VA guaranty applicable to all VA-guaranteed loans and eliminate this refinancing restriction. In light of the high number of subprime adjustable rate mortgages that will reset in the coming months, allowing veterans the opportunity to use the loan guarantee will save many from foreclosure.

The National Association of REALTORS® thanks you for offering this amendment and stands ready to work with you on its passage.

Sincerely,

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