



NATIONAL ASSOCIATION OF REALTORS®

The Voice For Real Estate®

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May 20, 2008

The Honorable Nydia M. Velázquez
Committee on Small Business
2466 Rayburn House Office Building
Washington, DC 20515

Dear Chairwoman Velázquez:

The National Association of REALTORS® thanks you and the members of the Small Business Committee for holding a hearing on “RESPA and its Impact on Small Business” on May 22, 2008. Our members appreciate your attention to proposed changes to the real estate settlement process that will negatively impact both small businesses engaged in real estate and homebuyers.

NAR is strongly opposed to RESPA reform as currently proposed by the U.S. Department of Housing and Urban Development (HUD). Along with many other industry and consumer groups, NAR has been very clear in its discussions and meetings with HUD, recently and over the years, that RESPA reform should focus narrowly on improved, simplified disclosures of loan terms and costs to consumers. Such disclosures would enable consumers to understand the terms of their mortgages and the costs of necessary settlement services and allow them to shop for the loan that best fit their needs. The HUD rule is woefully short of our expectations, is unfairly excessive and fails to meet the Department's stated objective of improving consumer disclosures.

As a result, we welcome the opportunity to appear before you and the committee to further discuss what HUD has proposed and the impact that these changes will have on the real estate industry's small businesses.

Sincerely,

A handwritten signature in black ink that reads "Richard F. Gaylord".

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