



NATIONAL ASSOCIATION OF REALTORS®

The Voice For Real Estate®

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United States Senate
Committee on Banking, Housing & Urban Affairs
534 Dirksen Senate Office Building
Washington, DC 20510

The 1.2 million members of the National Association of REALTORS® (NAR) support the ongoing bipartisan efforts to address the current crisis in the financial and secondary mortgage markets. Though the details of this historic government intervention continue to evolve, NAR firmly believes that prompt enactment and implementation of legislation is vital for the restoration of confidence in the financial markets and market liquidity.

Because many institutions involved in mortgage lending have become excessively cautious in response to a period of irresponsible lending, and because of uncertainty about the value of mortgage securities and the underlying real estate, non-government-backed mortgage assets are receiving unrealistically low valuations. These extremely low valuations are paralyzing the balance sheets of financial institutions and hindering the flow of funding for the real estate market and the ability of our members to help Americans buy and sell real property. It is crucial that Congress act immediately to restore confidence in the mortgage markets so non-government mortgage lending returns as an option for a full range of qualified borrowers.

NAR supports responsible government intervention focused on restoring reasonable, market-based pricing of mortgage assets because it will benefit current homeowners, potential homebuyers, financial institutions, the economy, and ultimately taxpayers. We support efforts to stabilize financial markets to allow rational valuation of assets, expedite refinancing and relief efforts for homeowners, and other measures to reestablish a level of confidence in the housing credit markets. The legislation under discussion will enable the Treasury Department to help many more property owners avoid foreclosure.

Finally, REALTORS® see every day the tremendous impact that this time of unprecedented upheaval within the credit market is having on families, communities and our local and national economies. For that reason, REALTORS® stand ready to use their expertise to assist the government in making decisions regarding these assets that will benefit families, our economy and, equally important, protect the American taxpayer.

Failure to pass legislation this session would be disastrous for homeowners and America's housing market.

Sincerely,

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