



NATIONAL ASSOCIATION OF REALTORS®

*The Voice For Real Estate®*

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September 21, 2010

The Honorable David Obey  
Chairman, House Committee on Appropriations  
2314 Rayburn House Office Building  
Washington, DC 20515

Dear Chairman Obey:

As you begin work on the continuing resolution for FY11, the 1.1 million members of the National Association of REALTORS® (NAR) would like you to consider two very important pieces of unfinished business that need to be completed as soon as possible.

#### Mortgage Loan Limits

The current loan limits for FHA and the GSEs (Freddie Mac and Fannie Mae) ensure that all American families have equal access to safe, affordable mortgage financing. The current limits don't expire until the end of the calendar year. However, if they aren't extended in the coming weeks, mortgage markets will face uncertainty and American homebuyers will be left in limbo well into 2011 since it takes FHA and the GSEs several months to reset their underwriting systems to accept the loan limits. If there is a delay beyond October, NAR estimates that homebuyers and homeowners hoping to refinance more than 612 counties in 40 states and the District of Columbia will be negatively impacted if the loan limits expire; the average decline in loan limits would be more than \$50,000. The House and Senate both passed Appropriations bills to extend these through FY11. However, a calendar year extension makes much more sense from a data collection point of view, and how the loan limits are calculated. **We urge you to quickly extend these limits for an additional calendar year to avoid uncertainty and additional market disruption.**

#### Flood Insurance

Authorization for the National Flood Insurance Program (NFIP) is current set to expire in 10 days. Five and a half million homes and businesses depend on the NFIP as the primary source of protection against flooding, the most common natural disaster in the United States. The House has passed H.R. 5114, making necessary reforms to the NFIP and providing for a 5-year authorization. The Senate DHS Appropriations bill would extend the NFIP for one year. The recent series of eight short-term NFIP extensions has caused uncertainty and confusion in our still recovering real estate markets. Please don't make the NFIP a political hostage once again. **We urge you to pass a long-term extension for the NFIP to limit losses to American taxpayers.**

Members of the National Association of REALTORS®, representing homeowners nationwide, urge you to extend these important programs immediately. Our economy is still undergoing a recovery, and these programs help strengthen mortgage markets and provide stability for millions of American families. Without your immediate action, our housing recovery is at risk.

Sincerely,

Vicki Cox Golder, CRB  
2010 President, National Association of REALTORS®

