



NATIONAL  
ASSOCIATION *of*  
REALTORS®

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April 5, 2011

United States Senate  
Washington, DC 20510

Dear Senator:

The 1.1 million members of the National Association of REALTORS® (NAR) respectfully stand in opposition to S. 693, the “GSE Bailout Elimination and Taxpayer Protection Act”, introduced by Senators John McCain (R-AZ) and Orrin Hatch (R-UT).

REALTORS® agree that comprehensive reform of the U.S. housing finance system is required in order to provide the marketplace with the confidence and certainty it requires to function properly. However, the drastic comprehensive changes outlined in S. 693 do nothing less than shut down Fannie Mae and Freddie Mac, while not offering any viable replacement for their mission in the secondary mortgage market. This bill will undermine confidence and certainty within the housing finance market; cause continued instability; and hamper the recovery of the housing sector and our overall economy.

Reform of the housing finance system must be a methodical, measured, and comprehensive effort that is based on factual information and practical experience, not simply on ideology and academic theory.

NAR respectfully reminds our Congressional friends that homeownership remains a pillar of our society. We acknowledge that during the housing boom, homeownership was viewed by some as a commodity—to buy low and sell high. That perception caused undeniable damage to the housing markets. However, the fundamental importance of homeownership as a foundation for our communities and as a long-term conduit for fostering financial and household stability for American families remains intact.

Shutting down Fannie Mae and Freddie Mac prematurely—as the legislation proposes—without a viable alternative in-place or even on the horizon, will further restrict the availability of mortgage capital and exacerbate the economic problems faced by the housing sector and the nation.

The National Association of REALTORS® reiterates its opposition to S. 693, but remains ready and available to collaborate with you and our industry partners to enact sensible, comprehensive, and effective mortgage reform legislation.

Sincerely,

Ron Phipps, ABR, CRS, GRI, GREEN, e-PRO, SFR  
2011 President, National Association of REALTORS®



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