

Vince Malta  
2020 President

Bob Goldberg  
Chief Executive Officer

**ADVOCACY GROUP**  
William E. Malkasian  
Chief Advocacy Officer/Senior Vice President

Shannon McGahn  
Senior Vice President Government Affairs

500 New Jersey Avenue, NW  
Washington, DC 20001-2020  
Phone 202-383-1194  
WWW.NAR.REALTOR

March 27, 2020

The Honorable Steven T. Mnuchin  
Secretary  
U.S. Department of the Treasury  
1500 Pennsylvania Ave., NW  
Washington, DC 20220

The Honorable Jerome H. Powell  
Chair  
Federal Reserve Board  
20th Street and Constitution Ave, NW  
Washington, DC 20551

The Honorable Mark A. Calabria  
Director  
Federal Housing Finance Agency  
400 7th Street, SW  
Washington, DC 20219

Dear Secretary Mnuchin, Chair Powell, and Director Calabria:

On behalf of the 1.4 million members of the National Association of REALTORS®, we thank you for your diligent efforts to support the financial markets, real estate, and economy during the unprecedented challenge posed by COVID-19. As we begin to see the ramifications of this outbreak, we must ensure certainty in the marketplace to prevent further economic turmoil and begin to pave a stable road to recovery.

The need to extend forbearance and a moratorium on foreclosures is critical to providing temporary housing security and supporting the social distancing effort. Claims for unemployment surged by nearly 3.28 million for the week ending March 21 and are likely to rise as tens of millions of workers in non-critical sectors socially distance and shelter-in-place. These unemployed workers will struggle to make mortgage and rental payments even with new tax benefits.

The extraordinary scope of providing forbearance, even for a short period of time, to a large share of the population will require tens of billions of dollars to be paid to securities investors in the absence of payments on the underlying mortgages. The required volume of funds poses a challenge for the mortgage servicing industry during these forbearance periods. Moreover, if mortgage payments are missed and investors harmed, future home purchases may not be serviced or funded. This lack of liquidity could spill from the financial sector into the “real” sector, weighing on the real estate industry, which provides nearly \$85,000 in economic activity for each existing home sale and drives nearly 20 percent of the economy.

With Congress slated to grant the Treasury the ability to expand support for the Federal Reserve through its section 13(3) powers by \$425 billion, funds will be available to support the backstop needed for market stabilization. Likewise, the Treasury has already provided Fannie Mae and Freddie Mac a \$250 billion line of credit. During the conservatorship of Fannie Mae and Freddie Mac, the FHFA



has successfully explored innovative financing mechanisms to support homeownership and the housing industry. We urge you to use these tools and others at your disposal to maintain market liquidity and support all consumers in these difficult circumstances.

Again, thank you for your diligent and timely response to the challenges posed by the spread of COVID-19. If you have questions, please contact NAR's Senior Policy Representative for Conventional Finance, Banks, and Lending, Ken Fears at (202)383-1066 or [KFears@NAR.REALTOR](mailto:KFears@NAR.REALTOR).

Sincerely,

A handwritten signature in black ink, appearing to read "Vince Malta". The signature is fluid and cursive, with a large initial "V" and "M".

Vince Malta  
2020 President, National Association of REALTORS®