



**National Association of Home Builders**

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**Government Affairs**

James W. Tobin III  
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August 22, 2018

The Honorable Mike Crapo  
Chairman  
United States Senate Committee on  
Banking, Housing, and Urban Affairs  
239 Dirksen Senate Office Building  
Washington, DC 20510

Dear Chairman Crapo:

On behalf of the National Association of Home Builders (NAHB), I am pleased to offer our support for the confirmation of Kathleen Kraninger to serve as Director of the Bureau of Consumer Financial Protection (Bureau).

NAHB applauds Ms. Kraninger's commitment, as stated in her testimony on July 19, to follow the proper notice and comment rulemaking process and end the practice of regulation by enforcement. Also, NAHB is encouraged by Ms. Kraninger's stated priority that the Bureau should be "fair and transparent, ensuring its actions empower consumers to make good choices and provide certainty for market participants."

NAHB strongly supports access to safe and affordable mortgage financing for all creditworthy home buyers, which is generally under the purview of the Bureau. Currently, there are several important issues impacting mortgage lending that will likely not be addressed until a Director has been confirmed.

For example, the Bureau's Ability to Repay final rule included a "GSE patch," a temporary provision that allows mortgages eligible to be purchased by Fannie Mae or Freddie Mac (GSEs) to be considered a qualified mortgage (QM) safe harbor loan. This provision is set to expire in 2021 (or when the conservatorship of the GSEs ends if that occurs sooner). Time is needed to analyze this provision and, if needed, propose and finalize rules in order to avoid any disruption in the mortgage markets. Having a permanent director in place at the Bureau will ensure that these important policy initiatives are given attention.

NAHB has had an increasingly positive working relationship with the Bureau and believes that Kathleen Kraninger will continue to improve the Bureau's transparency and effectiveness as Director.

Sincerely,

A handwritten signature in black ink, appearing to read 'James W. Tobin III', written in a cursive style.

James W. Tobin III