

November 15, 2011

United States House of Representatives
Washington, DC 20515

Dear Representative:

On behalf of the undersigned organizations, we urge you to support H.R. 2112, the minibuss conference report. This bill will restore the mortgage loan limits for FHA and help stabilize mortgage markets.

FHA insures loans made by private lenders to American families seeking to buy a home. These borrowers pay mortgage insurance premiums that fully support the loan. Over its 77 year history, FHA loans have never required taxpayer expenditure. The program is fully self-supporting, and a great example of a public-private partnership with lending institutions. Even despite our on-going housing crisis, FHA remains strong with total capital resources of \$33.7 billion—a \$400 million increase from last year.

Restoring the loan limits will provide consumers in all markets access to safe, affordable mortgage financing. Although some have argued this provision provides financing only for high-cost markets, more than 100 counties throughout the Midwest and more than 200 counties in the South experienced declines averaging more than \$64,000. The majority of markets that were impacted by the loan limit decline are NOT high cost.

Housing markets remain fragile. Restoring the limits will provide stability, while private investors re-enter the market. We urge you to support this bill to help American families and our overall economic recovery.

Sincerely,

American Land Title Association
Community Mortgage Lenders of America
Council of North American Insulation Manufacturers Association
Credit Union National Association
Leading Builders of America
Mortgage Bankers Association
National Association of Home Builders
National Association of REALTORS®
Real Estate Services Providers Council, Inc. (RESPRO®)