August 1, 2012

The Honorable Harry Reid Majority Leader U.S. Senate

Washington, DC 20510

The Honorable Daniel Inouye Chair, Committee on Appropriations U.S. Senate

Washington, DC 20510

The Honorable Tim Johnson Chair, Committee on Banking, Housing and Urban Affairs, U.S. Senate Washington, DC 20510

The Honorable Debbie Stabenow Chair, Committee on Agriculture, Nutrition, and Forestry U.S. Senate Washington, DC 20510 The Honorable Mitch McConnell Minority Leader U.S. Senate Washington, DC 20510

The Honorable Thad Cochran Ranking Member, Committee on Appropriations U.S. Senate Washington, DC 20510

The Honorable Richard Shelby Ranking Member, Committee on Banking, Housing and Urban Affairs U.S. Senate Washington, DC 20510

The Honorable Pat Roberts Ranking Member, Committee on Agriculture, Nutrition, and Forestry U.S. Senate Washington, DC 20510

Dear Majority Leader Reid, Minority Leader McConnell, Chairman Inouye, Ranking Member Cochran, Chairman Johnson, Ranking Member Shelby, Chairwoman Stabenow, and Ranking Member Roberts:

Unless Congress acts, more than 900 rural communities across the nation will lose eligibility for funding under critical Department of Agriculture (USDA) Rural Housing programs on October 1, 2012. At that time, the law requires that USDA reclassify communities as "rural" with data from the 2010 Census. As a result, 923 communities currently eligible for USDA Rural Housing programs will be excluded. While these communities are, by any measure, rural, most will lose eligibility because they are located within Metropolitan Statistical Areas (MSAs). With half of all rural residents living in MSAs, this will have a significant impact on local rural economies.

For these reasons, we strongly urge you to enact legislation before the Senate adjourns this fall to ensure that these communities remain eligible for these critical USDA Rural Housing programs.

Thank you for your consideration.

Sincerely,

National Association of Home Builders National Association of REALTORS® National Rural Housing Coalition Mortgage Bankers Association