



NATIONAL
ASSOCIATION *of*
REALTORS®

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July 30, 2013

Dear Senator:

The one million members of the National Association of REALTORS® urge your support for S. 1376, "The FHA Solvency Act of 2013," sponsored by Senators Johnson (D-SD) and Crapo (R-ID) when the Senate Banking Committee marks it up this week. This bipartisan legislation promotes FHA's financial solvency with common sense financial reforms, while still retaining FHA's critical historic mission.

FHA, like every other holder of mortgage risk, has incurred financial losses as a result of the economic crisis. However, FHA has taken a number of steps to reduce risks and replace reserves. S. 1376 provides FHA with additional tools to manage risk.

NAR opposes amendments that would further increase costs for borrowers or restrict liquidity. Specifically, we oppose any increases in downpayments, reduction of loan limits, or further increases of premiums. We would support amendments that provide additional regulatory flexibility to FHA, or increase financing options for borrowers.

FHA needs additional authority to rebuild its capital reserves, protect taxpayers, and continue its mission of providing responsible qualified borrowers with affordable mortgage financing. NAR believes that the FHA Solvency Act of 2013 is that legislation. We urge your support of S. 1376.

Sincerely,

A handwritten signature in black ink, appearing to read 'Gary Thomas'.

Gary Thomas
2013 President, National Association of REALTORS®

cc: United States Senate Committee on Banking, Housing, & Urban Affairs



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