



NATIONAL
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October 24, 2012

The Honorable Richard Cordray
Director
Consumer Financial Protection Bureau
1700 G Street, N.W.
Washington, D.C. 20552

Re: CFPB Draft Strategic Plan for 2013 through 2018

Dear Director Cordray:

I am writing on behalf of more than one million members of the National Association of REALTORS® (NAR) to provide comments on the Consumer Financial Protection Bureau's (the Bureau) draft strategic plan for 2013-2018.

The National Association of REALTORS® is America's largest trade association, including our eight affiliated Institutes, Societies and Councils. REALTORS® are involved in all aspects of the residential and commercial real estate industries and belong to one or more of some 1,400 local associations or boards, and 54 state and territory associations of REALTORS®.

NAR supports the Bureau's efforts to educate and protect consumers, particularly with regard to mortgage credit transactions. NAR pioneered education efforts regarding subprime and non-conforming loans beginning in 2004-05 with the adoption of the Association's subprime credit policies. Chief amongst NAR's positions was a belief that consumers should have the ability to repay the loans. NAR produced numerous brochures and educational materials for members to distribute to consumers during that same period. NAR partnered with the Center for Responsible Lending and other groups on a number of these.

Since then, NAR believes the credit pendulum has swung too far in the other direction and many eligible and qualified borrowers are being denied loans or being forced to pay more than they otherwise would because of overly tight credit policies. Many forthcoming regulations, including the Ability to Repay-Qualified Mortgage (QM), RESPA/TILA harmonization, Loan Officer Compensation, and HOEPA rules among others have the potential to limit consumer credit access, increase costs to consumers or both. The Bureau must be very careful to balance the critical issue of access to credit with protecting consumers from hypothetical harm. Given already tight credit, the outcome is becoming more often not protection from harm but prohibiting access to opportunity.

NAR also believes the Bureau must be very careful in the sequencing and implementation of the numerous regulations it will finalize in the coming years. Even if rules are not onerous in their requirements, poorly timed changes can still be costly and onerous to businesses small and large. The Bureau should make its rule simple to implement and simple to follow. It does not help consumers if their borrowing costs jump dramatically because lenders and settlement service providers must spend huge sums to implement complex and



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burdensome regulations. Similarly, it will not help consumers if they are denied access to credit because lenders do not feel secure to lend because it is unclear what the rules are, whether they apply in any given scenario, or whether they might be subject to change at a later date.

For these reasons, NAR believes the Bureau should err on the side of a careful sequencing in finalization and implementation of regulations. Furthermore, we believe the Bureau must make its final rules simple, clear, and easy to follow. Finally, the Bureau must take into account that rules not only have the potential to protect consumers but cost them as well in terms of both dollars or lost opportunities. The Bureau should seek to maximize opportunities and minimize costs as it carries forward its mission.

Thank you for your time and consideration. If I may be of assistance, please do not hesitate to contact me or our Director of Real Estate Services, Ken Trepeta at ktrepeta@realtors.org or (202) 383-1294.

Sincerely,

A handwritten signature in black ink, appearing to read 'Moe', followed by a horizontal line.

Maurice "Moe" Veissi
2012 President, National Association of REALTORS®