

## Groups Push 'Access and Affordability' in Letter on GSE Reform

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Twenty-eight organizations in the real estate industry, including the National Association of Realtors (NAR), Mortgage Bankers Association (MBA) and the National Association of Affordable Housing Lenders (NAAHL), sent a letter Friday to the Federal Housing Finance Agency urging for reforms to Fannie Mae and Freddie Mac.

The letter, addressed to acting FHFA director Joseph Otting, highlights the need for reforms to the government-sponsored enterprises (GSEs) that prioritize access and affordability in the mortgage market. According to a message from the NAR, the letter was crafted after “months of collaboration on essential GSE reform principles that promote stability in the housing finance system.”

The groups pressed for an end to conservatorship but caution toward privatization. Rather, the letter urges that “any changes to the GSE footprint should be based on the most robust, data-driven analysis possible of potential impacts.” According to the letter, reform should have two objectives: preserving what works in the current system and avoiding unintended negative consequences for any stakeholders in the process, whether they’re borrowers, lenders, investors or taxpayers.

Other details include a call for the continued broad availability of the 30-year mortgage, affordability of credit even during stress events, maintaining the GSEs’ obligations toward serving underserved areas. The organizations also call for a clear explanation of what would happen to “displaced loans” — the loans that would be potentially cut from the GSE footprint and displaced to government housing agencies, balance sheet lenders or private label securities.

“A well-functioning housing finance system should provide consistent, affordable credit to borrowers across the nation and through all parts of the credit cycle without putting taxpayers at risk of a bailout,” the letter states. “We urge policymakers to take these principles into account to ensure that access and affordability are preserved under the current, and any future, housing regime.”

In addition to the NAR, MBA and NAAHL, the letter was signed by the Asian Real Estate Association of America; the Consumer Federation of America; the Consumer Mortgage Coalition; Enterprise Community Partners, Inc.; Habitat for Humanity International; the Leading Builders of America; the Local Initiatives Support Corporation; Make Room, Inc.; the Manufactured Housing Institute; Mercy Housing; Nareit; the National Apartment Association; the National Association of Hispanic Real Estate Professionals; the National Association of Home Builders; the National Association of Real Estate Brokers; the National Community Stabilization Trust; the National Council of State Housing Agencies; the National Housing Conference; the National Housing Trust; the National League of Cities; the National Multifamily Housing Council; The Real

Estate Roundtable; the Real Estate Services Providers Council; Stewards of Affordable Housing for the Future; and Up for Growth Action.