

Congress of the United States  
Washington, DC 20515

March 20, 2014

The Honorable Melvin L. Watt, Director  
The Federal Housing Finance Agency  
400 7<sup>th</sup> Street, Southwest  
Washington, DC 20024

Dear Director Watt,


We are deeply concerned about Notice No. 2013-N-18, entitled "Fannie Mae and Freddie Mac Loan Purchase Limits: Request for Public Input on Implementation Issues." On October 7, 2013, 66 Members of the House of Representatives sent a letter to Acting Director DeMarco expressing concern with his statements about reducing the loan limits in this manner (attached). Our position has not changed.

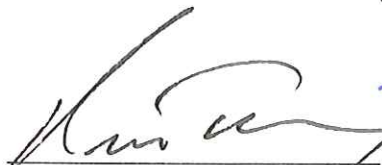
Though housing markets continue to improve, the availability of mortgage credit remains tight. As made clear in the Housing and Economic Recovery Act of 2008, "It is the sense of the Congress that the securitization of mortgages by the Federal National Mortgage Association and the Federal Home Loan Mortgage Corporation plays an important role in providing liquidity to the United States housing markets." Reducing the loan limits will only limit liquidity in certain markets.


The same Act contains specific language prohibiting the conforming loan limit from declining. It states that if the "annual adjustment is a decrease, then no adjustment shall be made." This is a clear indication of Congressional intent to retain stability for housing markets.

We urge you not to make an arbitrary regulatory reduction of the conforming loan limits. We urge you to continue to defer to the United States Congress on whether the conforming loan limits should be reduced and allow our delicate recovery in housing to continue.

Sincerely,

  
\_\_\_\_\_  
Gary C. Miller (CA-31)  
\_\_\_\_\_  
Carolyn B. Maloney (NY-12)  
\_\_\_\_\_  
Brad Sherman (CA-30)

  
Peter T. King (NY-02)

  
Michael E. Capuano (MA-07)

  
Jim Costa (CA-16)

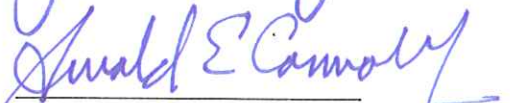
  
Bradley S. Schneider (IL-10)

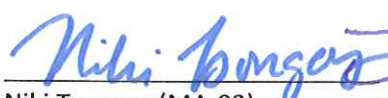
  
Ken Calvert (CA-42)

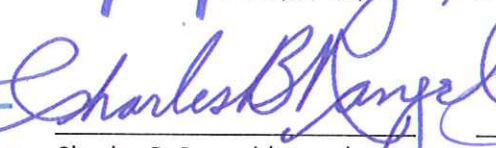
  
Joyce Beatty (OH-03)

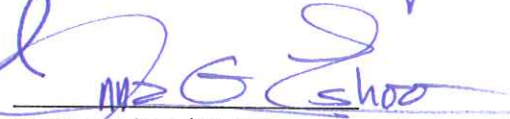
  
Eleanor Norton Holmes (DC)

  
Michael G. Grimm (NY-11)

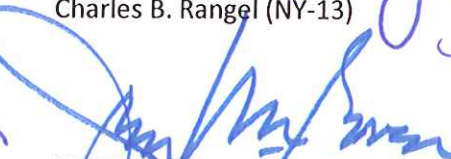
  
Gerald E. Connolly (VA-11)

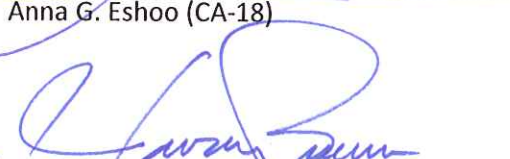
  
Niki Tsongas (MA-03)

  
Charles B. Rangel (NY-13)

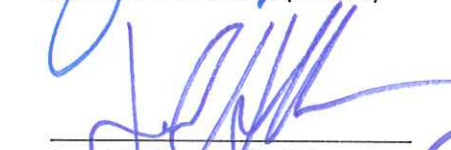
  
Anna G. Eshoo (CA-18)

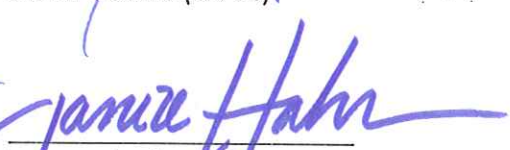
  
Mike Thompson (CA-05)

  
James P. McGovern (MA-02)

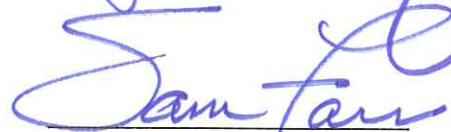
  
Xavier Becerra (CA-34)

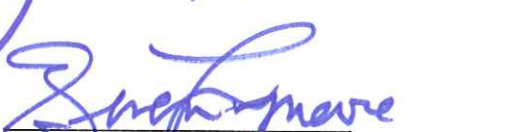
  
Carolyn McCarthy (NY-04)

  
Jared Huffman (CA-02)

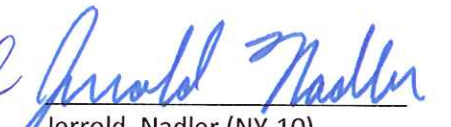
  
Janice Hahn (CA-44)

  
George Miller (CA-11)

  
Sam Farr (CA-20)

  
Gwen Moore (WI-04)

  
Lucille Roybal-Allard (CA-40)

  
Jerrold Nadler (NY-10)

  
Mike Quigley (IL-05)

  
Adam B. Schiff (CA-28)

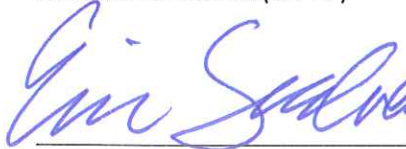
  
Tony Cardenas (CA-29)

  
Patrick E. Murphy (FL-18)


  
Michael M. Honda (CA-17)

  
Ed Perlmutter (CO-07)

  
Mark Takano (CA-41)

  
Eric Swalwell (CA-15)

  
Zoe Lofgren (CA-19)

  
Bill Foster (IL-11)