



Charlotte Regional Realtor® Association

March 13, 2014

Federal Housing Finance Agency (OPAR)  
Constitution Center  
400 7<sup>th</sup> Street SW, 9<sup>th</sup> Floor  
Washington, DC 20024  
[loanlimitinput@FHFA.gov](mailto:loanlimitinput@FHFA.gov)

RE: [No. 2013-N-18]

To Whom It May Concern:

The Charlotte Regional REALTOR® Association is writing to provide input on the above referenced notice entitled, "Fannie Mae and Freddie Mac Loan Purchase Limits: Request for Public Input on Implementation Issues." We urge you NOT to change the existing loan limits, as they have been critical in restoring stability to local housing markets across North Carolina.

Though there has been nominal improvement in the housing market, purchasing a home remains a challenge for many potential homeowners due to the restrictive availability of credit, particularly if available loans cannot be purchased or insured by the government sponsored entities (GSEs) or FHA. Many borrowers in areas affected by the contemplated reduction in loan limits rely on the liquidity that the GSEs provide. These same borrowers will have difficulty qualifying under the tight credit standards currently required by private lenders, including the 20% down payment requirement that is a minimum for most lenders. Outside of the GSEs and FHA, credit remains limited and available only to the wealthiest borrowers with pristine credit. These conditions leave the American dream of homeownership out of reach for many families.

In the Federal Register announcement on December 23, FHFA noted that reducing the loan purchase limits is consistent with its legal authorities as conservator provided under the Housing and Economic Recovery Act of 2008 (HERA). However, we would argue that by making a decision to lower the purchase limit, FHFA would be superseding congressional intent under that same law, which:

1. Established the maximum loan limit for loans purchased by the GSEs; and
2. Made it a principal duty of the Director to ensure that the GSEs serve as a reliable source of liquidity and funding for housing finance and community investment.

Maintaining a steady, nationwide floor for the GSE loan limits contributes to stabilizing housing prices, the stability of the housing finance system and consumer confidence. Continued downward pressure on the limits adds to the uncertainty in mortgage markets.

It's crucial that the federal government act to maintain market stability, not add disruptive and unnecessary changes at this critical time in the nation's economic recovery. While the housing market continues to experience a recovery, data reflects that it remains fragile. Based on market conditions and the terms of the Housing and Economic Recovery Act of 2008, we urge you to not take steps, such as reducing limits, that will only restrict consumer access to mortgage credit.

Sincerely,

A handwritten signature in black ink, appearing to read "Joe Rempson".

Joe Rempson  
President, Charlotte Regional REALTOR® Association

p 704.372.0911  
f 704.338.9401

1201 Greenwood Cliff, Suite 200  
Charlotte, NC 28204