

September 23, 2010

Federal Housing Finance Agency
Fourth Floor
1700 G Street, NW
Washington, DC 20552

ATTENTION: Public Comments Proposed Collection; Comment Request: "Monthly Interest Rate Survey." (No. 2010-N-112)

RE: *Federal Register* Notice of August 27, 2010, for the Federal Housing Finance Agency (FHFA) Monthly Interest Rate Survey (MIRS), (OMB Number: 2590-0004)

Dear FHFA Representative:

The Bureau of Economic Analysis (BEA) strongly supports the continued collection of data by the Federal Housing Finance Agency for the Monthly Interest Rate Survey. The data collected on this form are crucial to key components of BEA's economic statistics.

BEA uses data from the MIRS to estimate rental income of persons in the national income and product accounts (NIPAs). Specifically, MIRS data are used to estimate the effective rate of interest on mortgage debt which is used to calculate mortgage interest paid. MIRS data are also used to estimate origination fees and calculate closing costs. Specific data used include mortgage contract interest rates, initial fees and charges, terms to maturity, and loan amounts.

BEA has two requests about obtaining additional data through the MIRS that would be useful for our estimates. First, BEA is inquiring as to whether FHFA could provide a split between initial fees and charges separately for points and origination fees? Providing this split would allow BEA to improve the allocation of these costs to mortgage interest paid and closing costs in the NIPAs.

Second, BEA is inquiring as to whether FHFA could provide the total loan principal amounts for the various mortgage types (ARM, FRM, etc.)? Ultimately, BEA is most interested in data for the total weighted average interest rate across all mortgage types. Ideally, BEA would prefer to obtain this directly from FHFA. This information would enable BEA to compute the effective rate of mortgage interest from a more comprehensive source than currently used.

Please keep BEA informed about any modifications to this survey. We are particularly interested in any modifications proposed during the survey approval process that would substantially affect our use of these data. For additional information, please contact Ruth Bramblett, Source Data Coordinator, 202-606-9653 or by e-mail at Ruth.Bramblett@bea.gov. Should you need assistance in justifying this survey to the Office of Management and Budget, please do not hesitate to contact BEA.

Sincerely,

/s/

Dennis J. Fixler
Chief Statistician