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MORTGAGE BANKERS ASSOCIATION

September 10, 2019

The Honorable Nancy Pelosi  
Speaker  
U.S. House of Representatives  
H-232, U.S. Capitol Building  
Washington, DC 20515

The Honorable Kevin McCarthy  
Minority Leader  
U.S. House of Representatives  
H-204, U.S. Capitol Building  
Washington, DC 20515

The Honorable Maxine Waters  
Chairwoman  
Committee on Financial Services  
U.S. House of Representatives  
2129 Rayburn House Office Building  
Washington, DC 20515

The Honorable Patrick McHenry  
Ranking Member  
Committee on Financial Services  
U.S. House of Representatives  
2221 Rayburn House Office Building  
Washington, DC 20515

Dear Speaker Pelosi, Minority Leader McCarthy, Chairwoman Waters and Ranking Member McHenry:

On behalf of the Mortgage Bankers Association (MBA), I am writing to express our views on two bills that will be considered by the full House of Representatives today under suspension of the rules.

**Proposal to Expand Access to Appraisals**

MBA strongly supports the *Homebuyer Assistance Act of 2019*, H.R. 2852, introduced by Representatives Brad Sherman (D-CA) and Sean Duffy (R-WI). As lenders serving homeowners in rural areas throughout the country struggle to obtain appraisals in a timely manner, this legislation would allow more appraisers practicing in the field today to become eligible to conduct real estate evaluations on properties subject to mortgages insured by the Federal Housing Administration (FHA).

In July 2008, the Housing and Economic Recovery Act (P.L. 110-289) was signed into law and prohibited state-licensed residential appraisers from continuing to participate in FHA-insured transactions by limiting evaluations to only certified appraisers. While the statutory change was designed to protect FHA during a time of significant economic stress, it had a negative effect on residential markets over the longer term, especially in difficult-to-access rural areas.

In the current market, the lengthy processing times and high costs due to a lack of appraisers reduce the efficiency of the loan origination process for FHA-insured loans. Rising appraisal costs in recent years have largely been attributed to appraiser shortages in certain locations, especially rural areas. This legislation would allow lenders to address supply shortages by expanding their appraiser pools, which in turn will reduce consumer

costs and shorten delays that have occurred in many markets. More broadly, the *Homebuyer Assistance Act of 2019* could create a more efficient residential mortgage market for lenders and consumers by expediting valuations and lowering closing costs.

**Proposal to Make Permanent the Multifamily Housing Preservation and Revitalization Program**

MBA commends Representatives William Lacy Clay and Emanuel Cleaver for their work on the *Strategy and Investment in Rural Housing Preservation Act of 2019* (H.R. 3620). This bill would permanently authorize the U.S. Department of Agriculture's (USDA) Multifamily Housing Preservation and Revitalization (MPR) Program and would create an advisory committee to implement a plan to preserve rural multifamily housing.

Ensuring access to affordable rental homes for underserved people and communities, including those in rural areas, remains a challenge for policymakers and industry. Making the USDA's MPR Program permanent provides necessary certainty to consumers and industry participants that look to this private-public partnership as a critical tool in efforts to ensure the long-term viability of multifamily units.

**Conclusion**

Thank you for the consideration of the views expressed within this letter. We look forward to our continued work together to promote a more competitive and sustainable real estate finance market in the United States.



Bill Killmer  
Senior Vice President, Legislative and Political Affairs

cc: All Members: U.S. House of Representatives