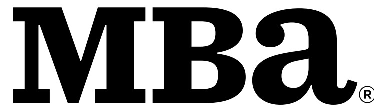

MORTGAGE BANKERS ASSOCIATION

Statement for the Record
House Financial Services Committee
Subcommittee on Housing and Insurance

Hearing Entitled: "Housing Affordability: Governmental Barriers and Market-Based Solutions"

Wednesday, December 6, 2023

The Mortgage Bankers Association (MBA)[1] appreciates the opportunity to comment on the issues raised by the Housing and Insurance Subcommittee's December 6, 2023, legislative hearing entitled, "*Housing Affordability: Governmental Barriers and Market-Based Solutions."*

In recent years, as residential home values and costs related to rental housing have risen, access to "*safe, decent, and affordable housing*" – the promise of the landmark National Housing Act of 1934 – has proven more elusive for a growing number of low-to-moderate income Americans. MBA believes the factors that have exacerbated our national housing affordability crisis are multifaceted and can only be solved through a series of incremental steps undertaken by the private, public, and non-profit sectors of our economy working in tandem – at the local, state, and federal levels (see appendix regarding MBA's Affordable Housing Initiative (CONVERGENCE) program).

MBA represents both residential and commercial/multifamily member firms committed to making affordable rental housing and home ownership a more obtainable reality for Americans nationwide. The following testimony outlines a series of policy concerns and, importantly, tangible steps policymakers can undertake to reduce regulatory impediments, increase our nation's affordable housing stock, and benefit renters and housing consumers.

Background and Context: Housing Affordability as a National Priority

One of MBA's highest policy imperatives is to make affordable housing choice and sustainable homeownership a **national priority** once again. As indicated by the holding of this very hearing, housing affordability is a priority "talking point" within this Congress – and in virtually every community across our country. But in a broader and more important sense, those discussions have not translated into enough concrete action.

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1 The Mortgage Bankers Association (MBA) is the national association representing the real estate finance industry, an industry that employs more than 300,000 people in virtually every community in the country. Headquartered in Washington, D.C., the association works to ensure the continued strength of the nation's residential and commercial real estate markets, to expand homeownership, and to extend access to affordable housing to all Americans. MBA promotes fair and ethical lending practices and fosters professional excellence among real estate finance employees through a wide range of educational programs and a variety of publications. Its membership of more than 2,200 companies includes all elements of real estate finance: independent mortgage banks, mortgage brokers, commercial banks, thrifts, REITs, Wall Street conduits, life insurance companies, credit unions, and others in the mortgage lending field. For additional information, visit MBA's website: www.mba.org.

Many Americans can recall when housing was an acknowledged policy priority – one of the biggest in the country – almost as important as the winning of the Cold War. During the last century, as a nation we created a market for fixed-rate mortgages, built homes for returning World War II veterans, expanded access to affordable loans, and made it easier for qualified families to purchase a home. While this work is far from complete and the benefits were not distributed equally, the promise of homeownership was a pillar of the American dream. This is because policymakers recognized that homeownership is one of the strongest foundations for wealth creation and financial freedom in America. Therefore, ensuring access to safe, decent, and affordable housing was a deliberate point of emphasis.

Today that optimism is fading, given that housing affordability for both renters and homeowners has become harder to achieve. For millions of families, the dream of owning a home is just that – a dream. In the current interest rate environment and inventory-starved market, this prospect has dimmed even further.

MBA believes it is time to restore an achievable dream of homeownership, as there are many problems that can be solved, if we can muster the collective political will. For example, we all agree there is a nationwide shortage of adequate housing supply. Though the solution is complex to achieve, the goal is simple: make it easier to build more housing, not harder and more expensive. In addition, the neighborhoods built in the mid-20th century boom years are showing their age – and communities need to reinvest and rebuild them, from coast to coast.

It is long past time for state and local governments, federal regulators, and Congress to remove barriers that are holding back lending and building. Washington must stop using the GSEs' guaranty fees – an important risk management tool to guarantee the credit risk on Fannie and Freddie-backed mortgages to investors – as a "piggy bank" to fund non-housing related expenditures. By the same token, the Department of Veterans Affairs' (VA) Home Loan Program funding fees are unfairly being diverted from housing for our nation's heroes. The Consumer Financial Protection Bureau has helped address some of the mortgage market dysfunction from the Great Financial Crisis (GFC), but too many of its rules lack clarity and add unnecessary costs. And since 2008, capital and liquidity requirements have constantly been ratcheted up, well beyond what is needed to prevent the outcome the nation experienced during the global financial crisis. In every instance, housing consumers ultimately pay the price – with fewer options and higher costs.

Housing providers also need Fannie Mae and Freddie Mac ("the GSEs") and the Department of Housing and Urban Development's (HUD) Federal Housing Administration (FHA) to offer real and effective construction finance products. One possibility would be to model products after the Department of Agriculture's (USDA) single-close construction loan program, which allows individuals to finance the land, build a home, and have the initial loan serve as the long-term mortgage, frequently with no down payment and only one set of closing costs.

We also need to fundamentally transform HUD's 203(k) rehab lending program – FHA's primary program for the rehabilitation and repair of single-family properties. If undertaken properly, it could be a critical tool for community and neighborhood revitalization, as well as to expand homeownership opportunities through increasing the number of marketable properties listed for sale. MBA was pleased to see that FHA posted a draft mortgagee letter (ML) last week on its

Single Family Housing Drafting Table, which would make several improvements to the 203(k) programs. While directionally positive, MBA plans to comment through the Drafting Table process that more aggressive reform is necessary given the urgency of housing supply concerns in the market today.

Other important considerations would include support for local zoning, permitting and pro-growth reforms, tying federal block grants to local jurisdictions that cut red tape, passing tax incentives to support new construction and rehabilitation, and advancing Special Purpose Credit Programs (SPCPs), cash flow underwriting, and sound methods of down payment assistance (DPA).

No one would benefit more from these potential reforms than American families – including prospective renters and first-time homebuyers.

Additional Residential/Single-Family Housing Considerations

Basel III "Endgame" Mortgage Impacts

On July 27, 2023, the Federal Reserve, Federal Deposit Insurance Corporation (FDIC), and the Office of the Comptroller of the Currency (OCC) issued a Notice of Proposed Rulemaking (NPR) to update capital requirements for banks with assets of $100 billion or more. The so-called "end game" proposed rules complete U.S. regulators' implementation of the Basel III standards and ostensibly make changes in response to the recent large bank failures. The proposed changes effectively increase capital requirements at larger banks by an estimated 15 to 20 percent – large enough to impact credit availability economy-wide, as well as which lines of business banks choose to support – with potential implications for the entire mortgage market.

The new rules will directly impact more than three dozen large U.S. banks, including more than two dozen regional banks that support the mortgage market and are not currently subject to the heightened capital standards on the eight largest banks in the U.S., "GSIBs" (Globally Systemically Important Banks). These non-GSIB large banks play a critical role in the mortgage market as lenders, mortgage holders, and servicers, but also as aggregators, market makers and providers of warehouse and mortgage servicing rights (MSRs) financing – functions that could be impaired if this rule is not changed or pulled back.

MBA continues to believe that (despite the extended comment period) the NPR poses unwarranted risks to the U.S. economy - and to housing and real estate markets specifically - and contradicts many of the Biden Administration's policy goals, including those pertaining to affordable housing (both ownership and rental), fostering bank competition over consolidation, and the closing of significant racial homeownership and wealth gaps. It is still unclear how the NPR interacts with other regulatory proposals, and how these rules collectively could stunt economic growth and credit access needed to support the creation of more affordable ownership and rental housing from the largest providers of capital in the country.

Moreover, the proposed rule still lacks the robust economic impact analysis that usually accompanies such a significant change in bank capital standards – a scant fifteen pages of impact assessment out of nearly 1,100 pages. MBA believes the analytical shortcomings were a significant factor in the remarkably close votes at the FDIC and Federal Reserve Board prior to

the NPR's issuance. The post-ANPR impact analysis now underway at the agencies should be made available for public comment before any further movement on the proposed rule.

FSOC Designation Framework

The responsibility of the Financial Stability Oversight Council (FSOC) is to assess the potential for systemic risk, especially that which might not be captured within the purview of its individual constituent regulatory agencies, i.e., Treasury, the Federal Reserve, OCC, CFPB, SEC, FDIC, CFTC, FHFA, and NCUA. In recent months, certain FSOC members have publicly mused about whether non-bank mortgage servicers present a systemic risk to the global financial system – an unfounded assertion that presupposes a conclusion before requisite analysis is conducted and is squarely contradicted by the facts.

With respect to residential mortgage lending, banks' share of origination and servicing volume has consistently declined during the fifteen years following the global financial crisis. Some of the decline may reflect a reassessment of the economic returns available in mortgage lending and a shifting of resources into business lines that have better prospects.

However, in discussions with our bank members, this shift also reflects a clear recognition that certain bank regulations effectively reduce the returns on capital from mortgage lending. For example, the Basel capital framework's punitively high 250% risk weight on MSRs, coupled with a strict cap on the ratio of MSRs to Tier 1 capital, has significantly altered the economic incentives for banks to service mortgage loans for others. In a mortgage market dominated by securitization, MSRs are critically important. Excessively high risk-weighting has discouraged banks from originating mortgages for securitization and retaining the servicing asset.

In response to this move away from mortgage servicing by banks, non-bank servicers, which are subject to the same national consumer protection standards, have increased their share of the servicing market. FSOC has recognized this and called for the relevant federal agencies (the Federal Housing Finance Agency (FHFA) and the Government National Mortgage Association (Ginnie Mae)) and state regulators to heighten scrutiny of the largest non-bank servicers. Those regulators have already done so, most recently moving to significantly increase capital and liquidity requirements and moving non-bank mortgage lenders increasingly toward bank-style capital requirements, despite starkly different sources of funding and risk.

This example highlights what is the critical question FSCO regulators should address before considering any designations: if bank regulations are so punitive that they discourage banks from effectively competing in markets for core banking services, shouldn't FSOC first re-examine the regulatory regime that caused this change? The FSOC designation framework should require this analysis before "extending the regulatory perimeter" to nonbank entities that are serving a market from which banks have pulled back. This is particularly important in the mortgage market, where banks should be able to leverage their lower cost of funds, preemption of many state laws, and access to the payments system and liquidity backstops. If policymakers are concerned about the growth of nonbank market shares for traditional banking services, they should first examine whether existing rules are impeding banks' ability or desire to serve those markets.

Ultimately, the real estate finance system is healthiest, and consumers win, when multiple actors utilizing a range of business models and strategies compete on a level playing field. Simply imposing higher costs across the system will only burden prospective homeowners with higher prices and fewer choices at a time of constrained housing affordability.

Recent Conforming Loan Limit Increases

As expected, the Federal Housing Finance Agency (FHFA) recently published the 2024 maximum conforming loan limits for mortgages eligible to be acquired by the GSEs. The limits are calculated by FHFA according to a formula established by Congress in the *Housing and Economic Recovery Act of 2008* (HERA). The baseline maximum conforming loan limit for one-unit properties will increase 5.56 percent from $726,200 to $766,550. The maximum conforming loan limit for one-unit properties in high-cost areas will increase to $1,149,825 (150 percent of the baseline limit). All but five counties experienced an increase. The limits are effective for loans with delivery dates, or pool issue dates, on or after January 1, 2024.

MBA supports the current statutory formula and will continue to work with FHFA, the GSEs, and FHA on ways to balance taxpayer support of the mortgage market with the need to ensure broad access to affordable, sustainable credit.

Private Label Securities (PLS) Market

The PLS market has been largely dormant since 2008, leaving a void in the housing finance system. The market for private-label Residential Mortgage-Backed Securities (RMBS) is an important channel by which fully private entities invest in mortgage credit risk without direct or implied taxpayer backing.

Historically, Securities and Exchange Commission (SEC)-registered RMBS have been an important source of funding for mortgage originators, providing a valuable alternative to agency securities backed by the GSEs, or Ginnie Mae. Prior to the 2008 financial crisis, registered securitizations represented a substantial portion of the RMBS market. Post crisis, many investors lost trust in the PLS Market and believed that the existing operational, legal, and contractual frameworks in place for private-label RMBS did not provide sufficient protections. The resulting contraction of the PLS market in general, and the publicly registered portion of the RMBS market, in particular, remains a concern. We believe that the long-term health and resilience of the mortgage market depends, in part, on maintaining a diverse set of securitization options that foster engagement from a broad array of issuers and investors. This variety in the market reduces lender reliance on any single source of liquidity and ensures that borrowers are receiving the lowest interest rates available. The stalled recovery of the PLS market is a clear indicator that there are entrenched market impediments that must be addressed.

The stalled recovery of the PLS market is a clear indicator that there are entrenched market impediments that must be addressed. Based on feedback from our members and other market participants, we believe one of the biggest contributors to the lack of SEC-registered issuances is Regulation AB's (Reg AB) revised disclosure requirements. The current securitization disclosure requirements of Reg AB II have been an insurmountable barrier to issuance of PLS transactions. Many of the 270 asset-level data elements required to be disclosed under

Regulation AB are poorly defined or unavailable. In many cases, data elements do not follow the standards set forth by the Mortgage Industry Standards Maintenance Organization (MISMO).

Since adoption of Reg AB II, lenders who have sought to issue private-label RMBS have chosen to pursue non-registered issuances under SEC Rule 144A, which allows for commercially reasonable negotiated agreements between the issuer and investor where material disclosures are made, but prescriptive loan-level disclosure requirements are not mandated by regulation. The flexibility to set the terms and conditions and associated pricing has offered private market participants the opportunity to assess the quality of the assets in the securities and the strength of their counterparties in ways that appropriately balance and minimize risk. These arrangements are an important component of the private market.

While Rule 144A offerings provide an excellent option for some issuers and investors, 144A offerings limit the pool of investors available to purchase exempt securities, which leaves private capital that could be deployed to support residential housing through RMBS purchases, such as that of some institutional investors, on the sidelines. While the negotiated arrangements of the 144A market result in a liability risk for 144A issuers that is lower than the strict liability standards and executive officer attestations required in SEC-registered RMBS, these latter features of the SEC-registered RMBS market are acceptable if the disclosure regime provides issuers with the confidence necessary to attest to the data included in those disclosures. MISMO has developed a Private Label Residential Mortgage-Backed Securities (PL RMBS) dataset which provides a standard set of data that can be used by rating agencies to help determine the ratings applied to securitizations. The new PL RMBS standard enhances the quality and consistency of data sent to the ratings agencies leading to a more efficient process for private label RMBS.

In late 2019, MBA submitted comments to the SEC in response to a public statement requesting input on disclosure requirements for RMBS and stated their intent to “review RMBS asset-level disclosure requirements with an eye toward facilitating SEC-registered offerings.” We believe RMBS transactions should be governed by disclosure standards that produce detailed, consistent, and accurate information for investors, while also ensuring this information is easily determined and readily available to be provided by issuers. MBA welcomes any continued engagement with the SEC and other organizations to revise and standardize disclosure requirements which is a valuable – and necessary – step toward reviving the non-agency mortgage securitization market.

It is also worth noting that the Basel III “endgame” proposal may further exacerbate the need for a fully revived and functional PLS market. If adopted, this proposal could result in a heightened need for banks to securitize mortgages, as holding them may no longer be economical. In this scenario, a well-functioning PLS market would be a valuable, and necessary avenue for maintaining liquidity in the market.

Costs of Credit Reporting

MBA is deeply concerned about the sharply rising costs of so-called “tri-merge” credit reports and other credit reporting products, some of which are required in order for lenders to originate a loan for sale to the GSEs and all other government-insured loans. Some media reports indicate these

price increases for the required 'tri-merge' credit report will range from 25% to more than 400% beginning in 2024. This follows a sharp increase that was just put in place earlier this year.

In light of these media reports about another round of unexplained sharp price increases, our members are concerned about a lack of transparency with respect to the factors that are driving these pricing changes. Given the unique market structure and limited options for obtaining credit reports and credit scores, MBA urges this Subcommittee – and all policymakers – to examine the drivers of all the cost increases in relation to mortgages to ensure transparency and to protect consumers from paying higher costs in connection with their home mortgages.

Assured Access to Property Insurance (Residential and Multifamily)

MBA members are very concerned that private property insurance has reached a point of critical market dislocation. Many insurers and re-insurers have withdrawn from states like California, Florida, Texas, and Louisiana as climate effects bring greater severity in weather events and property loss. In some jurisdictions, increasing premiums to match the increasing risk is limited or prohibited by regulation. Western United States wildfires have driven a potential insurance crisis for many property owners, and recent studies indicate that decreased insurance availability and affordability may already be affecting the housing market in wildfire-exposed areas. As the length and severity of fire seasons are increased and become more severe, it is possible that this crisis will expand in California and other states. Hurricane damage is another example of how catastrophic events are impacting insurance and housing markets. Hurricane Ian, a category Four hurricane that struck Florida in September 2022, is estimated by some to be the costliest Florida hurricane ever. Other perils are likely also being magnified, as evidenced by the frequency of inflation-adjusted, billion-dollar disasters over the last decade in the United States.

Today, as the risks increase, insurance coverage is either outright unobtainable or simply unaffordable. Insurance companies have significantly raised premiums (to the extent permitted) to price for increased risk and surging property replacement costs. These premium increases are not limited to policies written in high-risk states. A recent study suggests national insurance carriers cross-subsidize premium increases from properties in highly regulated states with premium increases on policies written in less-regulated states. Commercial property premiums increased 20.4% in the first quarter of 2023, the largest increase in 20 years, and the 22nd consecutive quarter with premium increases, mainly due to catastrophic insurance premiums. However, even with higher premiums, insurance (and re-insurance) companies still face significant financial loss and thus have withdrawn their offerings in high-risk areas, as reinsurers have also tightened standards. Fully 85% of brokers surveyed said insurers pushed for updates to replacement values and recent improvements, with significant tightening in catastrophic exposed properties. Similar trends in tightening policy availability for condominium roof replacement have pushed many condominium projects out of eligibility for loan purchase by the GSEs.

MBA commercial members lenders have reported the need to either "force-place" insurance or decide not to fund a loan due to insurance issues. No homeowner or commercial property owner can cover the cost of a catastrophic loss alone. MBA thanks this Subcommittee for holding a hearing last month on this troubling phenomenon. We continue to encourage the Congress to

work with states and other stakeholders to address the availability and affordability of property insurance and promote market stability and insurer solvency.

Additional Multifamily Housing Topics

Federal Barriers

During times of inflation and tightening financial markets, it is critical that the FHA Multifamily Mortgage Insurance program play the countercyclical role it was designed to perform. But rather than leaning into that challenge, FHA has instead elected to pull back. For example, last year FHA insured less than half the number of properties the agency did in Fiscal Year (FY) 2022. While interest rate hikes can account for some of the decline, the prohibitive cost and burden of obtaining an FHA loan have also had a significant impact. Today the costs of FHA financing are far higher than are needed to cover the risk to the American taxpayer, as the loans averaged a .08% default rate over the course of FY 2023.

This Subcommittee and its members could help FHA fulfill its market role more efficiently by increasing the program's multifamily statutory loan limits, which have not been raised since 2003. Those limits now fall significantly below the level of current multifamily construction costs and are an unintentional regulatory barrier that constrains access to middle income housing. These outdated limits are inconsistent with HUD's goal of providing decent, safe, and sanitary housing.

Almost all communities – from Melbourne, Florida to Kansas City, Missouri – are now treated as "high-cost areas" under the current limits. Rather than operating as intended to prevent HUD from providing coverage of high-end luxury housing, the statutory limits (and their accompanying inaccurate inflation index) combine to strangle urgently needed workforce housing projects across the country. Updating these limits will help FHA accurately track inflation in multifamily construction costs going forward, allowing developers to more efficiently build and finance rental housing nationwide.

There are other factors that impact the significant decline in FHA multifamily lending. The mortgage insurance premium charged on multifamily loans is designed to cover any losses to the General Insurance and Special Risk Insurance (GI/SRI) Fund and protect taxpayers. However, during the last 12 years, HUD has insured $170 billion of multifamily loans, incurred a loss of $27 million on multifamily loans, and collected premiums of $3 billion from FHA multifamily borrowers. Clearly, the premium rate far outweighs the risk to the taxpayer. The overages paid could more effectively be used to create more rental housing.

HUD also requires a myriad of costly third-party reports when constructing a new multifamily property. These can include noise surveys, vibration studies, seismic surveys, pipeline engineering reports, fall studies, and more. These add tens of thousands of dollars to the cost of construction. HUD's insurance requirements also add significantly to the costs of an FHA loan. Property insurance costs are climbing at an alarming rate nationwide, but HUD should not add to that challenge with excessive requirements. FHA maximum deductible levels are far lower than the rest of the industry, and any waiver of the requirements is accompanied by significant escrows. HUD's maximum deductible is 1%, which is far below current insurance industry standards, and is often impossible to place in the market.

To further the mission of providing decent, safe, and sanitary housing to American families, HUD must work to reduce unnecessary fees that are charged to multifamily borrowers. Today, housing providers are facing higher interest rates and significant cost increases for labor and construction materials. HUD charges significant fees, despite the strong performance of its loan portfolio. Many of these costs could be eliminated or reduced, without any risk to the taxpayer. Reducing the cost of FHA financing would have a direct, positive impact on the ability for multifamily borrowers and developers to add units and increase the nation's multifamily housing stock.

State and Local Barriers

Some communities, in a "panic" over how to address the housing affordability crisis, have turned to rent control measures. However, research has shown that rent restrictions simply reduce developer interest in new construction and limit owners' ability to maintain their existing properties. Rent restrictions and overly aggressive so-called "tenant protection" provisions create barriers that hinder the development of new housing and lead owners of properties to convert to condominiums, or otherwise change the nature of their properties. As an alternative, MBA believes state and local governments should instead focus on increasing housing supply within their affected communities.

Also, policies to address regressive zoning and density restrictions will help increase supply and reduce housing costs. Restrictive zoning and land-use regulations hinder the development of new housing and increase barriers for people to access safe, healthy, and affordable housing. A recent Urban Institute paper stated that "To meaningfully reduce cost burdens for households not renting subsidized housing – the majority of the nation's renters – we must make it financially feasible for private developers to build a wider range of housing in the markets where demand is strongest."

Specific Legislative Recommendations

As noted, while successful efforts to address housing affordability and supply will require government at all levels to take action, there are several federal legislative initiatives under consideration should be advanced. MBA strongly supports the enactment of the following legislative proposals regarding affordability currently before the Congress:

- The full House Financial Services Committee (and full Congress) should consider and pass the bipartisan *YIMBY Act*, H.R. 3507, a proposal noticed for this specific Subcommittee hearing and cosponsored by many members of the full Committee. The bill encourages communities to eliminate discriminatory land use policies and remove barriers that prevent the production of needed housing in communities throughout the country. In so doing, the bill provides HUD with a constructive role to play in solving the housing shortage and affordability crisis within individual communities.

- While beyond the jurisdiction of the Financial Services Committee, the Low-Income Housing Tax Credit (LIHTC) is an incredible example of a successful public-private partnership that has resulted in significant increases to the nation's affordable housing stock. To ensure its continued success, Congress must act to strengthen the LIHTC program by simplifying and streamlining program requirements, preserving existing

affordable housing, and enabling the development of innovative affordable housing solutions, particularly in underserved and rural low-income markets. MBA urges both the House and Senate to include the broadly bipartisan and bicameral *Affordable Housing Credit Improvement Act or "AHCIA"* (H.R. 3238 and S. 1557), within any tax package negotiated and considered prior to the conclusion of the 118th Congress.

- MBA also supports the *Neighborhood Homes Investment Act or "NHIA"* (H.R. 3940 and S. 657), which (like the AHCIA) also enjoys strong bipartisan, bicameral support. The NHIA would build on the success of the LIHTC and New Markets Tax Credit (NMTC) programs by aiding in the development of owner-occupied homes (for purposes of both substantial rehabilitation and reconstruction) in low-to-moderate income census tracts. MBA urges the House and Senate to also include the NHIA tax credit proposal within any negotiated tax package this Congress.

- In a similar vein, MBA also supports the ongoing development, reintroduction and consideration of proposals designed to establish new tax credits to facilitate the conversion of obsolete and excess office spaces into affordable residential and/or mixed-use properties. Such a credit – whether federal, state, or local – would greatly assist communities experiencing a rise in remote work and diminished utilization of conventional office space – largely because of changing work patterns set in motion by the COVID-19 pandemic and evolving technologies.

- Again, though outside of this Subcommittee's jurisdiction, MBA also supports the proposal to restore and make permanent the individual income tax deduction for mortgage insurance (MI) premiums that was available to taxpayers from 2007 to 2021. This deduction allowed eligible low- and moderate-income homeowners to deduct from their federal income taxes the MI premiums paid to both private MI companies and government agencies, including HUD, VA, and USDA. MBA urges the inclusion of H.R. 4212, the bipartisan *Middle Class Mortgage Insurance Premium Act,* within any tax "extenders" or negotiated tax package prior to the conclusion of this Congress.

Conclusion

Chairman Davidson, Ranking Member Cleaver, and all members of this Subcommittee, thank you in advance for your consideration of the views expressed within this statement for the record.

As always, MBA stands ready to collaborate with members of the Congress and all other policymakers on proposals designed to ensure a robust housing market that is accessible, affordable, and sustainable – and works to benefit all borrowers, renters, and other critical stakeholders.

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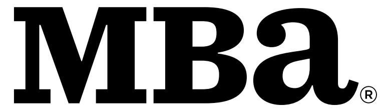
2. [2] https://www.hud.gov/sites/dfiles/Housing/images/FHACommMortPortAug2023.pdf
3. https://www.wsj.com/articles/st-paul-regrets-rent-control-city-council-minnesota-housing-11664827614
4. https://www.urban.org/sites/default/files/2023-08/Addressing%20Rental%20Affordability%20by%20Increasing%20Multifamily%20Housing%20Supply.pdf



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