

AGENDA



FEDERAL FINANCING & HOUSING POLICY COMMITTEE

National Association of REALTORS®
2013 REALTORS® Conference
Westin San Francisco
Metropolitan Ballroom II - Second Level
Friday, November 8, 2013
8:45 a.m. - 10:45 a.m.

Chair: Kay Wirth, IN

Vice Chair: Julie DeLorenzo, ID

Committee Liaison: Bob Kulick, CA

Committee Executive: Megan Booth/Sarah Young

I. Call to Order

NAR Ownership Disclosure & Conflict of Interest [Policy](#)

II. Approval of 2013 Midyear Meeting [Minutes](#)

III. Policy Discussion

1. Disparate Impact

The Fair Housing Working Group will be making their recommendations.
([Please See Paper](#))

2. Goals for 2014

IV. News You Need to Know

1. Condo Working Group

In order to address issues surrounding the condominium market, NAR's Federal Financing and Housing Policy Committee has created a Working Group.

2. VA Update

a) NAR's Military Relocation Professional (MRP) Certification

Visit NAR's MRP [website here](#) for more information

b) Google Hangout

Visit NAR's Hangout for America's Veterans webpage for more information ([Link here](#))

3. Regulatory Update

a) FHA Short Sales

Over the summer the FHA issued a Mortgagee Letter (ML 2013-23) that included a provision stating that on October 1, FHA would not approve a short sale if the agent or the broker represented both the buyer and the seller. FHA has since delayed the implementation of this provision so it may carry-on additional discussions with NAR. REALTORS® have

submitted a letter in opposition and is working to have the FHA reverse its position.

b) FHA REO Conflict of Interest

c) Health of FHA MMI Fund

The FHA MMI fund continues to be below the statutory minimum, requiring a "draw" from the U.S. Treasury for the first time in the FHA program's history. The FHA drew \$1.7 billion from the U.S. Treasury at the end of Fiscal Year 2013 (September 30). While FHA's book of loans are improving, it will take time for the MMI to recover and rise above the statutory requirements.

d) Mortgagee Letters

4. Legislative Update

a) FHA Reform in House and Senate

-Senate Reform Efforts

On July 31, 2013, the Senate Banking, Housing and Urban Affairs committee marked up S. 1376, "The FHA Solvency Act of 2013", sponsored by Senators Johnson (D-SD) and Crapo (R-ID) by a bipartisan vote of 21-1. The bill promotes FHA's financial solvency with common sense financial reforms, while still retaining FHA's critical historic mission. REALTORS supported the bill that provides FHA with tools to rebuild its capital reserves, protect taxpayers, and continue its mission of providing responsible qualified borrowers with affordable mortgage financing. The bill could be brought to the Senate floor as early as the fall.

-House Reform Efforts

House Financial Services Chairman, Jeb Hensarling, has included FHA reform in the Protecting American Taxpayers and Homeowners Act (PATH). The proposed legislation would drastically alter the FHA program by:

- Limit FHA availability to first-time homebuyers, and low- and moderate-income homebuyers,
- Lower FHA loan limits, including the FHA floor,
- Reduce FHA coverage from 100 percent to 50 percent, and
- Mandate risk sharing.

C.A.R. and NAR are strongly opposed to the PATH Act.

b) Rural Housing Definition

When the 2010 census was done, a number of communities no longer qualified under the Rural Housing Program. However, these communities were not being adequately served by larger lenders and thus NAR has been working to grandfather these communities into the Rural Housing Program.

c) Loan Limits

The FHFA has stated it is their intent to lower both the national conforming loan limits, as well as the high-cost loan limits in 2014. FHFA is expected to announce the new loan limits by the end of November and may not implement the new loan limits for at least six-months after their announcement. C.A.R. and NAR, as well as a bi-partisan effort by the Senate and House, have expressed our opposition to the loan limit reduction.

V. RPAC Challenge

VI. Adjournment

Adjourn to “FHA: A Federal Mortgage Program at a Critical Crossroads: Regulatory Issues Forum” Moscone Center, Gateway Ballroom 102