



March 19, 2007

The Honorable Hillary Clinton  
United States Senate  
Washington, DC 20510

Dear Senator Clinton:

On behalf of the Mortgage Bankers Association (MBA), I wish to commend you on the introduction of legislation that would empower the Federal Housing Administration (FHA) to become a more nimble and efficient provider of financing for affordable homeownership and rental housing. We understand your bill, "The 21st Century Housing Act," proposes significant changes to the National Housing Act, which governs how FHA operates.

As mortgage bankers, we look to programs like the FHA to help us provide even more options to consumers and help bridge the affordability gap faced by many first-time buyers, and minority and low- and moderate-income families. We believe your bill will make the changes necessary to ensure that FHA continues its good work in partnership with the mortgage lending community to achieve our joint goal of providing affordable housing and financing.

In particular, MBA supports key provisions of the bill including: authorization to use FHA revenues above a certain threshold for investment in improving FHA's technology, downpayment flexibility, greater flexibility in personnel compensation in order to attract highly qualified staff, and increases in single and multifamily loan limits to expand homeownership and affordable rental housing production in high cost areas.

We appreciate your commitment to empowering FHA and providing affordable housing, and applaud your leadership on this important issue.

Sincerely,

John M. Robbins, CMB