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May 5, 2015

U.S. House of Representatives
Washington, DC 20515

Dear Representative:

On behalf of the more than one million members of the NATIONAL ASSOCIATION OF REALTORS®, I strongly urge you to oppose H.R. 1662, the “Common Sense Housing Investment Act of 2015.” NAR believes this legislation, if enacted, would jeopardize the ability of millions of American families to afford a home, cause a severe blow to the net worth of middle-class Americans, and endanger the overall health of the housing market.

While the Common Sense Housing Investment Act’s goals of increasing the home ownership rate and making rental housing more affordable are noble ones, this legislation is deeply flawed in its means of trying to accomplish them. H.R. 1662 would lessen the value of the Mortgage Interest Deduction to millions of current and prospective homeowners and divert the resulting revenue to the National Housing Trust Fund and the Capital Magnet Fund. These changes would harm the ability of many middle-income Americans to afford to buy a home or remain in a home they own. Moreover, because the value of this tax benefit is imbedded in the price of homes, the proposal also would adversely affect the value of all homes, and thus unfairly strike a blow against the economic well-being of all current homeowners. This, of course, would weaken our still-recovering housing market.

While NAR agrees that the shortage of affordable housing options in many parts of the country is a legitimate concern that needs to be addressed, limiting existing homeownership incentives is not the appropriate means to accomplish this. NAR was one of the very first to call for the creation of the National Housing Trust Fund and its full funding. The Association is supportive of recent efforts by the Federal Housing Finance Agency to begin requiring the Government Sponsored Enterprises, Fannie Mae and Freddie Mac, to set aside portions of their revenues towards the National Housing Trust Fund and the Capital Magnet Fund. Some in the industry believe that this effort could generate between \$300 and \$700 million per year, which would go a long way towards preserving affordable rental housing and supporting affordable housing at the community level.

The National Association of REALTORS® urges you to oppose H.R. 1662 and not cosponsor this destabilizing legislation. The housing sector has a dramatic impact on our nation’s economy. Public policy reforms should promote responsible, sustainable home ownership and should not endanger the future of this critical economic sector

Sincerely,



Chris Polychron
2015 President, National Association of REALTORS®

