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April 14, 2011

Ms. Jennifer J. Johnson
Secretary, Board of Governors of the Federal Reserve System
20th Street and Constitution Avenue, NW
Washington, DC 20551

Re: Docket No. R-1407, RIN 7100-AD66, Fair Credit Reporting Risk-
Based Pricing Regulations

The Honorable Jon Leibowitz
Office of the Secretary
Room H-113 (Annex M)
Federal Trade Commission
Washington, DC 20580

Re: FCRA Risk-Based Pricing Rule Amendments: Project No. R411009

[Electronically submitted: <https://www.regulations.gov>]

Dear Ms. Johnson and Chairman Leibowitz:

On behalf of 1.1 million members of the National Association of REALTORS® (NAR), I am pleased to submit comments to the Federal Reserve Board and Federal Trade Commission on the proposed rules to amend their risk-based pricing rules to require disclosure of credit scores and information relating to credit scores in risk-based pricing notices.

The National Association of REALTORS® is America's largest trade association, including NAR's five commercial real estate institutes and its societies and councils. REALTORS® are involved in all aspects of the residential and commercial real estate industries and belong to one or more of some 1,400 local associations or boards, and 54 state and territory associations of REALTORS®.

The proposed rules would amend the current risk-based pricing rules published on January 15, 2010, to implement section 311 of the Fair and Accurate Credit Transactions Act of 2003 (FACT Act). The existing rules require creditors to give consumers a risk-based pricing notice when the creditor uses a credit report to grant or extend credit on terms that are materially less favorable than the most favorable terms available to a substantial proportion of consumers from that creditor. The proposed rule would make the risk-based pricing rules consistent with section 1100F of the Dodd-Frank Act. Section 1100F requires that the notice include a credit score used in making the credit decision and information relating to credit scores. The agencies plan to issue final rules by July 21, 2011, when section 1100F takes effect and the Consumer Financial Protection Bureau assumes responsibility for these requirements.



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NAR supports the proposed amendments that will provide consumers with their credit score used in making a credit decision should the score result in less favorable terms to the consumer than the most favorable terms available to a substantial proportion of consumers. REALTORS® believe it is important to increase the transparency of credit decisions, disclose credit scores to consumers as a general rule, and provide consumers with the factors that affect their credit score. Having access to and an understanding of one's credit score is an important factor in attaining financial literacy.

NAR also supports the design of the model forms. Far too often, credit information is unclear and can further complicate a consumer's understanding. The model forms provide the information in a succinct manner and will allow consumers to be in a better position to correct any inaccurate information while gaining a better understanding of what factors affect the score.

Thank you for your time and consideration of this matter. If you would like additional information or an opportunity to discuss our concerns, please contact Charlie Dawson, NAR's Associate Policy Representative, at cdawson@realtors.org or 202.383.7522.

Sincerely,

A handwritten signature in black ink, appearing to read "Ron Phipps". The signature is fluid and cursive, with a long, sweeping tail that extends to the right.

Ron Phipps, ABR, CRS, GRI, GREEN, e-PRO, SFR
2011 President, National Association of REALTORS®