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NAHB

July 22, 2011

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

Reference: Docket No. R-1417
Regulation Z; Truth in Lending
Proposed Rule; Request for Public Comment

Dear Ms. Johnson:

On behalf of the 160,000 members of the National Association of Home Builders (NAHB), I welcome the opportunity to respond to the request for comment, issued by the Board of Governors of the Federal Reserve System (Board) regarding the proposed rule amending Regulation Z (Truth in Lending) to implement amendments to the Truth in Lending Act (TILA) made by the Dodd-Frank Wall Street Reform and Consumer Protection Act (Dodd-Frank Act, or Act).

The proposal would implement statutory changes made by the Dodd-Frank Act that expand the scope of the Regulation Z ability-to-repay requirement to cover any consumer credit transaction secured by a dwelling. In addition, the proposal would establish standards for complying with the ability-to-repay requirement, by making a "qualified mortgage" (QM).

Background

Concerns have been raised about creditors originating mortgage loans without regard to a consumer's ability to repay the loan. Over the past several years, these concerns were intensified as mortgage delinquencies and foreclosure rates increased dramatically, caused in part by the loosening of underwriting standards and increased use of risky products. NAHB members have been affected deeply by the consequences of these loose underwriting standards and risky loan features. The housing industry continues to suffer from the resulting foreclosures, which negatively impact demand from buyers and drive down home prices.

Congress enacted the Truth in Lending Act (TILA) in 1968 to promote the informed use of consumer credit, with enhanced disclosures required for loans secured by consumers' homes and to permit consumers to rescind certain transactions that involve their principal dwelling. TILA is implemented by the Federal Reserve Board's Regulation Z, 12 CRF Part 226. Building upon these consumer protections, Congress passed the Home Ownership and Equity Protection Act (HOEPA) in 1994 which amended TILA. HOEPA defines a class of "high-cost mortgages" which include home-secured refinancing and closed-end home equity loans (not home-purchase loans) with annual percentage rates or total points and fees exceeding prescribed thresholds. HOEPA also created an "ability to repay" standard and established three special remedies for violations of its provisions. The Board implemented HOEPA requirements in 1995 and revised some of these regulations in 2001, and issued other supervisory guidance regarding nontraditional and subprime mortgages in the mid-2000s.

The Board issued a Final HOEPA Rule in 2008 to address the growth of a variety of financial products. This final rule defined a new class of "higher-priced mortgage loans" (HPML) as a consumer credit transaction secured by the consumer's principal dwelling with an APR that exceeds the average prime offer rate (APOR) for a comparable transaction, as of the date the interest rate is set, by 1.5 or more percentage points for loans secured by a first lien on the dwelling, or by 3.5 or more percentage points for loans secured by a subordinate lien on the dwelling.

Specifically, the 2008 HOEPA Rule:

- Prohibits a creditor from extending a higher-priced mortgage loan based on the collateral and without regard to the consumer's repayment ability;
- Prohibits a creditor from relying on income or assets to assess repayment ability unless the creditor verifies such amounts using third-party documents that provide reasonably reliable evidence of the consumer's income and assets; and
- Provides certain restrictions on prepayment penalties for high-cost mortgages and higher-priced mortgage loans.

In 2010, the Dodd Frank Act amended TILA to provide consumer protections for mortgages, including ability-to-repay requirements, with the purpose of assuring that consumers are offered and receive residential mortgage loans on terms that reasonably reflect their ability to repay the loans. The legislative language builds on the 2008 HOEPA Final Rule and extends its application to all residential mortgages. The Act:

- Expands coverage of the ability-to-repay requirements to any consumer credit transaction secured by a dwelling, except an open-end credit plan, timeshare plan, reverse mortgage, or temporary loan.
- Prohibits a creditor from making a mortgage loan unless the creditor makes a reasonable and good faith determination, based on verified and documented information, that the consumer has a reasonable ability to repay the loan according to its terms, and all applicable taxes, insurance, and assessments.
- Provides a presumption of compliance with the ability-to-repay requirements if the mortgage is a "qualified mortgage" (QM) which does not contain certain risky features and limits points and fees on the loan.

- Prohibits prepayment penalties unless the mortgage is a prime, fixed-rate qualified mortgage, and the amount of the prepayment penalty is limited.
- Creates special remedies for violations of TILA Section 129C.

Summary of Proposed Rule

The Board published a Notice of Proposed Rulemaking (NPR) implementing the ability-to-repay and qualified mortgage provisions of the Dodd-Frank Act on May 11, 2011[1]. Rulemaking authority for these provisions transferred to the Consumer Financial Protection Bureau (CFPB) on July 21, 2011. The Board will transfer comments on the Proposed Rule to CFPB who will issue the final rule.

The Board's proposal provides four options for complying with the ability-to-repay requirement.

1. General Ability-to-Repay Standard

   A creditor can meet the general ability-to-repay standard by:

   - Considering and verifying the following eight underwriting factors: current or reasonably expected income or assets; current employment status; the monthly payment on the mortgage; the monthly payment on any simultaneous mortgage; the monthly payment for mortgage-related obligations; current debt obligations; the monthly debt-to-income ratio, or residual income; and credit history.
   - Underwriting the payment for an adjustable-rate mortgage based on the fully indexed rate.

2. Qualified Mortgage

   A creditor can originate a "qualified mortgage," which provides special protection from liability based on the alleged failure to comply with the "ability to repay standard." Consistent with the Dodd-Frank Act, the Proposed Rule defines a QM as a mortgage that meets the following requirements:

   - The loan does not provide for negative amortization, interest-only payments, or a balloon payment, or have a loan term exceeding 30 years.
   - The total points and fees do not exceed 3% of the total loan amount (with exceptions for smaller dollar amount loans).
   - The income or assets relied upon in making the ability-to-repay determination are considered and verified.
   - The underwriting of the mortgage (1) is based on the maximum interest rate that may apply in the first five years, (2) uses a payment schedule that fully amortizes the loan amount over the loan term, or the outstanding principal

[1] 76 Fed. Reg. 27390 - 27506 (May 11, 2011).

balance over the remaining term as of the date the rate adjusts to the maximum, and (3) takes into account any mortgage-related obligations.

The Board explains in the preamble to the Proposed Rule that it is not clear under the Dodd-Frank Act whether Congress intended to establish a safe harbor or a rebuttable presumption of compliance.[2] Due to statutory ambiguity, the Board has proposed two alternatives for meeting the QM standard.

<u>Alternative 1</u> would operate as a legal safe harbor and define a "qualified mortgage" based on the criteria listed in the Act and outlined above.

<u>Alternative 2</u> would provide a rebuttable presumption of compliance and would define a "qualified mortgage" as including the criteria listed under Alternative 1 as well as additional underwriting requirements from the general ability-to-repay standard. Thus, under Alternative 2, the creditor would also have to consider and verify:

- The consumer's employment status,
- The monthly payment for any simultaneous mortgage,
- The consumer's current debt obligations,
- The monthly debt-to-income ratio or residual income, and
- The consumer's credit history.

3. Balloon-Payment Qualified Mortgage

A creditor operating predominantly in rural or underserved areas can originate a balloon-payment qualified mortgage. This option is meant to preserve access to credit for consumers located in rural or underserved areas where creditors may originate balloon loans to hedge against interest rate risk for loans held in portfolio. Under this option, a creditor can make a balloon-payment qualified mortgage with a loan term of five years or more by complying with the requirements for a qualified mortgage and underwriting the mortgage based on the scheduled payment, except for the balloon payment.

4. Refinancing of a Non-Standard Mortgage

A creditor can refinance a "non-standard mortgage" with risky features into a more stable "standard mortgage." This option is meant to preserve consumers' access to streamlined refinancings that materially lower their payments. Under this option, a creditor complies by:

- Refinancing the consumer into a "standard mortgage" that has limits on loan fees and that does not contain certain features such as negative

[2] 76 Fed. Reg. 27396 (May 11, 2011).

amortization, interest-only payments, or a balloon payment;
- Considering and verifying the underwriting factors listed in the general ability-to-repay standard, except the requirement to consider and verify the consumer's income or assets; and
- Underwriting the "standard mortgage" based on the maximum interest rate that can apply in the first five years.

NAHB Supports Balancing Mortgage Lending Standards and Consumer Protections

NAHB appreciates that the Board has initiated a dialogue on how the regulatory system should bolster mortgage lending standards and consumer protections in the mortgage marketplace. The market excesses that have occurred in the past merit regulatory changes aimed at more rational lending practices, greater lender accountability, and improved borrower safeguards.

NAHB believes that loans should be prudently underwritten and adequately disclosed. Stronger requirements related to borrower's ability-to-repay are needed to diminish the rate of borrower defaults. Such changes will also help reduce the probability of additional damaging economic consequences associated with widespread foreclosures that we have witnessed over the last few years due to previous breakdowns in the mortgage process. NAHB believes it is critical that mortgage lending reforms are imposed in a manner that causes minimum disruptions to the mortgage markets, while ensuring consumer protections. Great care must be taken to avoid further adverse changes in liquidity and affordability.

In early 2007, NAHB, concerned with the state of housing finance, passed policy and began working with other stakeholders in the housing and mortgage lending/investment industries as well as Congress and federal, state and local financial institution regulators to find and implement effective solutions to problems in the mortgage markets, while ensuring that the regulation of mortgage products and practices does not unnecessarily disrupt the mortgage lending process, limit consumer financing options or increase the cost or reduce the availability of responsible mortgage credit.

NAHB encouraged then, and adamantly supports today, continued mortgage market innovation to improve housing affordability and expand homeownership opportunities as long as these loans have appropriate features and are prudently underwritten to ensure that the form of financing is appropriate for the borrower, the market and that consumers are fully aware of the features and risks of the loan.

It is critical, as we work together to bolster housing finance and ultimately the American economy, that we get this correct because Americans value homeownership. According to a poll[3] conducted on behalf of NAHB, home owners

[3]This national survey of 2,000 likely 2012 voters was conducted May 3-9, 2011 by Public Opinion Strategies of Alexandria, Va., and Lake Research Partners of Washington, D.C. It has a margin of error of +2.19%.

and non-owners alike consider owning a home essential to the American Dream despite the ups and downs of the housing market. The survey results show that Americans see beyond the immediate housing market to the enduring value of homeownership. An overwhelming 75 percent of the people who were polled said that owning a home is worth the risk of the fluctuations in the market, and 95 percent of the home owners said they are happy with their decision to own a home.

Even though the market is weak, people who don't own say they want to buy a house. Almost three-quarters of those who do not currently own a home, 73 percent, said owning a home is one of their goals. And among younger respondents who are most likely to be in the market for a home in the next few years, the percentages are even higher. However, saving for a downpayment and closing costs was cited as the biggest barrier to homeownership.

At present, much attention is being directed toward another proposed rule mandated by the Dodd-Frank Act, Credit Risk Retention including the definition of a qualified residential mortgage (QRM), published by the Office of the Comptroller of the Currency; the Board; Federal Deposit Insurance Corporation; U.S. Securities and Exchange Commission; Federal Housing Finance Agency; and Department of Housing and Urban Development. While much attention has focused on the QRM rulemaking it is even more essential that the definition of the QM loan and the ability-to-repay standards are well structured and properly implemented. The QM will most likely govern the type of mortgages made in the future, given that the QRM cannot be broader than the QM.

As the various agencies craft new rules governing the future of mortgage financing, it is important to remember that these decisions will determine the future of the mortgage market for years to come. NAHB urges the Board to consider the long-term ramifications of these rules on the market, and not to place unnecessary restrictions on the housing market based solely on today's economic conditions. Overly restrictive rules will prevent willing, creditworthy borrowers from entering the housing market even though owning a home remains an essential part of the American Dream.

Public Opinion Strategies is a national political and public affairs research firm based in Alexandria, Va. Founded in 1991, it has conducted more than 6 million interviews with voters and consumers in all 50 states and over two dozen foreign countries. Lake Research Partners is a leading public opinion and political strategy research firm providing expert research-based strategy for campaigns, issue advocacy groups, foundations, unions and non-profit organizations.

NAHB Comments on the Board's Proposed Rule

<u>NAHB Recommendation for a Strong Safe Harbor</u>

The proposed rule establishes various compliance options for determining whether the creditor has met the ability-to-repay requirements. The Dodd-Frank Act provides special protection from liability for creditors who make QM's.

As noted previously, the Board has determined that the Dodd-Frank Act is unclear on whether the QM protection is intended to be a safe harbor or a rebuttable presumption of compliance. The Board determined that there are sound policy reasons for interpreting a QM as providing either a safe harbor or a presumption of compliance. Due to the statutory ambiguity and competing concerns the Board is proposing two alternatives for the QM standard.

The first alternative defines the QM based on the criteria listed in the Dodd-Frank Act and would operate as a safe harbor and an alternative to complying with the general ability-to-repay standard. Under this alternative, the creditor would not be required to consider and verify the borrower's employment status, the payment of any simultaneous loans that the creditor is aware of or has reason to know about, the borrower's current obligations or credit history. In addition, this alternative does not include requirements to consider the borrower's debt-to-income ratio or residual income.

The second alternative defines a QM to include the requirements listed in the Dodd-Frank Act as well as the other underwriting requirements that are in the general ability-to-repay standard. This definition provides a presumption of compliance that could be rebutted by the consumer. The drawback of this approach is that it provides little legal certainty for the creditor, and thus, little incentive to make a QM. NAHB is concerned that the second alternative may reduce credit liquidity if conservative lenders establish criteria stricter than the presumption's standards to minimize litigation risk.

After carefully considering the proposed alternatives for the QM, NAHB supports the creation of a bright line safe harbor to define the QM to best ensure safer, well documented, and underwritten loans without limiting the availability, or increasing the costs of credit to borrowers. NAHB supports a QM safe harbor definition that promotes liquidity by providing consumers stronger protections than currently proposed by the Board and provides lenders definitive lending criteria that reduces excessive litigation exposure. The safe harbor should incorporate specific ability-to-repay standards. To strengthen the safe harbor definition, NAHB suggests the Board/CFPB evaluate the eight general ability-to-repay underwriting criteria and other general underwriting factors that are based on widely accepted underwriting standards. The final rule should provide creditors with discretion to responsibly adapt debt-to-income or residual income requirements based on changing markets, and not impose a rigid numerical standard. This should be sufficiently objective to make sound underwriting and credit decisions. NAHB recommends that the regulators work with NAHB and other industry stakeholders to develop a workable safe harbor.

NAHB believes this construct would provide the strongest incentive for lenders to operate within its requirements and allow lenders the ability to provide sustainable mortgage credit to the widest array of qualified borrowers. Just as important, the safe harbor will protect consumers by allowing focused litigation to determine whether the safe harbor requirements have be met. This should provide strong incentives for lenders who best serve consumers while maintaining clear avenues to enact severe penalties for lenders who do not.

It is important to note that the establishment of a safe harbor under the QM does not eliminate lender liability in any meaningful way. Failure to meet stringent underwriting requirements under the QM will result in the loss of the safe harbor. All penalty provisions under the Dodd-Frank Act would apply, as would traditional lender liability claims such as the duty of good faith and fair dealing.

Consumers must have access to a responsible and sustainable housing credit market so as we bolster lending regulations to avoid past excess we must be prudent to not create an environment where mortgage loans are subject to unnecessary heightened litigation risks. Excessive litigation risks and severe penalties for violating the ability-to-repay standards would cause uncertainty resulting in liquidity issues for the entire population and could cause low to moderate income and minority populations to suffer disproportionally.

<u>Points and Fees</u>

The Dodd-Frank Act defines a QM as a loan for which, among other things, the total points and fees do not exceed three percent of the total loan amount. Consistent with the Act, the Board's proposal revises Regulation Z to define "points and fees" to now include: (1) Certain mortgage insurance premiums in excess of the amount payable under Federal Housing Administration (FHA) provisions; (2) All compensation paid directly or indirectly by a consumer or creditor to a loan originator; and (3) the prepayment penalty on the covered transaction, or on the existing loan if it is refinanced by the same creditor. The proposal provides exceptions to the calculation of points and fees for: (1) Any bona fide third party charge not retained by the creditor, loan originator, or an affiliate of either (2) certain bona fide discount points.

The Board is not proposing an exemption for fees paid to creditor-affiliated settlement services providers because Congress appears to have rejected excluding from points and fees real estate-related fees where a creditor would receive indirect compensation as a result of obtaining distributions of profits from an affiliated entity based on the creditor's ownership interest in compliance with RESPA.

Discrimination Against Affiliates Harms Consumers

The current definition of fees and points discriminates against lenders with affiliates for no apparent reason. NAHB strongly supports reinstating the affiliate exception so it allows consumers access and choice in determining their mortgage providers.

Both home builders and lenders have a strong interest in establishing and maintaining long term positive relationships with consumers who are looked to for repeat business and referrals, which is not possible unless consumers are satisfied with their experiences. Consumers will only refer their friends and relatives when they believe they have been treated fairly and received excellent value for their investment.

As part of the effort to build strong consumer relationships, many home builders and lenders have established settlement service affiliates, such as mortgage and title companies. Collectively, these relationships have successfully facilitated home purchases for consumers by obtaining mortgages and providing settlement services for hundreds of thousands, perhaps millions, of consumers over a span of more than a decade.

These affiliates have been formed primarily to improve the likelihood that the financing of the home buying process occurs as promised and in a timely manner. These affiliates provide economic benefits to the consumers that far outweigh the income received from the partnerships in the business. Therefore, consumers directly benefit from affiliated relationships.

In the conditions that have prevailed during the past few years, where mortgage financing has become unstable and uncertain, these relationships have taken on greater importance. The affiliate relationship fosters a high degree of accountability between the companies, which leads to well-coordinated, efficient transactions that decrease the likelihood of any "surprises" for the consumer.

Many times affiliated settlement service providers are more efficient because they have integrated platforms that facilitate communication and enable them to achieve a quicker, more streamlined closing process. In a December 2010 Harris Survey of recent and prospective buyers, respondents said that using affiliates saves them money (78%), makes the home buying process more manageable and efficient (75%), prevents things from "falling through the cracks" (73%) and is more convenient (73%) than using separate services. This response is consistent with data from similar surveys in 2008 and 2002.

Requiring affiliate fees and points to be included in the 3 percent cap creates a disincentive for lenders to establish affiliated relationships, which as mentioned above, provide measurable benefits to consumers. For this reason NAHB strongly urges excluding fees and points from affiliated firms in the 3 percent cap, thereby giving equal treatment to affiliated and non-affiliated settlement service providers.

Mortgage Insurance

NAHB applauds the Board's acknowledgement of the benefits of mortgage insurance. Mortgage insurance (MI) has provided consumer's access to, well underwritten, lower downpayment loans making homeownership a reality for many consumers including low- and moderate-income families. MI also provides many benefits to the housing finance industry including shared risk in the event of default and an additional and independent underwriting evaluation. Existing data reveals that loans carrying MI experience lower default rates primarily because of this additional underwriting step, or extra eyes, to the origination process.[4]

Balloon Payments

NAHB supports the Board in exercising the authority provided under the Dodd-Frank Act to provide an exception to the definition of a QM for a balloon-payment made by a creditor that meets the criteria set forth in the Act. Consumers in rural and underserved areas must have access to credit and in their communities sometimes the only source of credit available may originate from community banks. Because community banks typically hold these loans in portfolio a balloon mortgage is necessary to provide the banks a means of hedging against interest rate risk.

Refinance of Non-Standard Mortgage

NAHB supports the proposal to exempt creditors of refinancing a non-standard mortgage, under certain limited circumstances, from the requirement to verify income and assets in determining whether a consumer has the ability to repay a covered transaction. This flexibility in underwriting will be an important resource for consumers who have been affected by the housing crisis and assist those homeowners who are in financial need that have behaved responsibly in handling their mortgage and other financial obligations avoid foreclosure.

Seller Financing

The Proposed Rule adopts the definition of mortgage originator in Section 1401(2) of the Dodd-Frank Act, which excludes builders from seller-financing exemption for the sale of three properties in any twelve-month period. NAHB recognizes that the Act's definition of mortgage originator includes every seller-financing builder that constructed or acted as a contractor on a residence that they are selling, and that the provisions of the current rule will not change the language of the Act. However, NAHB is compelled to voice the concerns of many of our members who have engaged in seller-financing transactions, often not by choice, but out of economic necessity. In hard economic times, such as these, home buyers' lending options diminish and builders are required to provide viable financing options for their customers.

[4] Coalition for Sensible Housing Policy, *Proposed Qualified Residential Mortgage Definition Harms Creditworthy Borrowers While Frustrating Housing Recovery*, July 11, 2011, p. 13.

Frequently these builders are small businesses that have few employees to undertake additional mortgage processing requirements. These small businesses will not be able to afford to employ professional underwriters, and if they are then unable to use seller-financing, the economic impact will be severe. For this reason, it is recommended that any final rule contain a small business exception from standard underwriting requirements. NAHB recommends that the Board/CFPB consider using the U.S. Small Business Administration's classifications which classifies construction companies as small if they have average annual receipts under $33.5 million.

Fair Lending Concerns

While NAHB supports the general principle of ability-to-repay, we are concerned the proposed QM requirements could have a disparate impact on minority consumers, who are less likely to be offered mortgage products under the QM's more stringent underwriting requirements. These results may run afoul of existing fair lending requirements including the Fair Housing Act.[5] The impact of these requirements on the availability of mortgages to minority borrowers has not been adequately examined under the proposed regulations.

Because mortgages originated under the QM will be disproportionately offered to more affluent consumers, the availability of safe mortgage products may actually decline in many minority communities. The General Accountability Office acknowledged that the QM criteria may increase the cost and restrict the availability of mortgages to lower income and minority borrowers.[6] These restrictions will necessarily limit lender's discretion. Because these consumers most eligible for a QM will be disproportionately more affluent, this lack of discretion will necessarily have a disparate impact on minority consumers.

Further, the ability of lenders to offer products outside of the qualified mortgage will be limited by the penalties for failure to comply with the ability-to-repay standards. Section 1416 of the Dodd-Frank Act allows for special statutory damages in addition to actual damages. This severe penalty may lead to the resurgence of "redlining" by lenders—denying mortgages to minority communities based on their racial composition. It is well-accepted that "the practice of denying the extension of credit to specific geographic areas due to the income, race, or ethnicity of its residents,"

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[5] The Fair Housing Act prohibits businesses engaged in residential real estate transactions, including "[t]he making... of loans or providing other financial assistance...secured by residential real estate," from discriminating against any person on account of race. 42 U.S. C. § 3605(a), (b)(1)(B).

[6] The report also examined five QM criteria to determine whether loans made over the past nine years would still be made under the criteria. The report determined that 25 to 42 percent of past mortgages would not meet an illustrative 41 percent debt service-to-income ratio. *See Potential Impacts of provisions in the Dodd-Frank Act on Homebuyers and the Mortgage Market*, GAO Report to Congressional Committees, 19-32 (July 2011).

may violate federal civil rights laws, including the Fair Housing Act.[7]

These concerns run counter to the CFPB's stated charge to promote access to affordable loan products. Notably, the administration's recent Housing Finance Reform Report emphasized the need to maintain housing finance availability to creditworthy borrowers in a variety of communities[8]. The report states that the administration will "work with Congress to ensure that *all* communities and families—including those in rural and economically distressed areas, as well as those that are low- and moderate-income—have the access to capital needed for sustainable homeownership . . ."[9] In other words, the federal government will continue to ensure that lenders are meeting their legal obligations to serve all communities. Thus, it is important that the CFPB reconcile the potential effect of the QM requirements with their intent and mandate to further affordable housing and fair lending goals.

Because the CFPB has taken on the bulk of oversight for a wide range of fair lending statutes, it will bear the brunt of the fair lending impacts of the qualified mortgage requirement. Therefore, prior to finalizing this rule, the CFPB should carefully consider the likelihood that the QM requirements could result in an influx of challenges under fair lending laws.

Conclusion

The Dodd-Frank Act authorized significant changes to mortgage lending practices. The ability-to-repay rules and the standards for a qualified mortgage may be the most important as it will form the foundation for mortgage lending for years to come. The QM rule is enormously complex and interlinks with numerous other regulatory standards.

NAHB appreciates the opportunity to comment on the Board's Proposed Rule on the Ability to Repay and QM standards. NAHB urges the Board/CFPB to consider the long-term ramifications of these rules, and not to place unnecessary restrictions on the housing market. NAHB strongly believes that the ability-to-repay standards must balance both consumer and industry interests. Consumers must have access to affordable credit and responsible lenders should be able to operate in an environment without excessive litigation.

[7] *See United Cos. Lending Corp. v. Sargeant,* 20 F. Supp. 2d 192, 203 n. 5 (D. Mass. 1998) (citing S. Rep. No. 103-169, at 21 (1993)); *Swanson v. Citibank, N.A., et al.,* 614 F.3d 400, 405 (7th Cir. 2010) (holding that plaintiff had properly stated a Fair Housing Act claim for bank's refusal to underwrite her loan).
[8] *See Reforming America's Housing Finance Market, A Report to Congress A Report to Congress* (February, 2011).
[9] *Id.* at 21.

If you should have any questions about our comments or would like additional information, please contact Steve Linville, NAHB's Director for Single Family Finance, at 202-266-8597 or slinville@nahb.org.

Sincerely,

David L. Ledford

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