

Coalition Designed to Monitor "QRM" Rule

The National Association of REALTORS Government Affairs has been closely monitoring the implementation of Section 941 or the so-called "QRM Rule" that is part of the risk-retention provisions of the Dodd-Frank legislation passed last year. The "Qualified Residential Mortgage" has the potential to stop the fledgling housing recovery in its tracks if implemented in its current form. NAR has joined with a diverse network of groups who share our position that, as written, the QRM regulation would push millions of American families out of the home market. The regulation would require onerous down-payment requirements of up to twenty percent of the purchase price. **NAR has asked for and received an extension of the comment period until August 1, 2011.**

QRM Coalition

Since early 2011, NAR has worked to forge a broad based coalition designed to draw attention to the potential for an enormous disruption to the ability of credit worthy American families to find stable, consumer-friendly mortgages at affordable interest rates.

The coalition has presented a very straight forward message to federal regulators:

Regulators should go back to the drawing board on the proposed QRM rule

As written, QRM violates Congressional intent, makes homeownership more expensive for millions of responsible consumers and jeopardizes the fragile housing recovery

Down-payment requirement puts homeownership out of reach for first-time buyers, including many responsible low and moderate income borrowers.

NAR and Coalition Actions:

NAR in conjunction with its coalition partners gathered the support of 39 United States Senators who wrote to regulators expressing the Senatorial intent on QRM and opposing the imposition of a sizable down payment. 163 House Members signed a similar letter emphasizing the flaws in the QRM and opposing the imposition of a sizable down payment. The additional attention to the QRM issue has resulted in the extension of the comment period. This extension will give the Coalition time to complete a thorough review of the rule and prepare comprehensive comment letters. As the coalition reviews the rule, NAR may ask our state and local association partners for support of our position. We will continue to monitor developments and report them to you as necessary.

Coalition Members:

American Land Title Association
Asian Real Estate Association of American
Black Leadership Forum
Center for Responsible Lending
Community Reinvestment Coalition of North Carolina
Community Mortgage Banking Project
Community Mortgage Lenders of America

Consumer Federation of America
HomeFree USA
International Association of Official Human Rights Agencies
Mortgage Bankers Association
Mortgage Insurance Companies of America
National Association of Federal Credit Unions
National Association of Hispanic Real Estate Professionals
National Association of Home Builders
National Association of Human Rights Workers
National Association of Real Estate Brokers
National Association of REALTORS®
National Community Reinvestment Coalition
National Fair Housing Alliance
National Housing Conference
National NeighborWorks Association
National Urban League
North Carolina Institute for Minority Economic Development
Oak Park Regional Housing Center and West Cook Homeownership Center
Real Estate Services Providers Council
Worldwide ERC