

January 25, 2008

The Honorable Nancy Pelosi
Speaker of the United States House of Representatives
235 Cannon House Office Building
Washington, DC 20515

The Honorable John Boehner
United States House of Representatives
1011 Longworth House Office Building
Washington, DC 20515

Dear Speaker Pelosi and Representative Boehner,

On behalf of the undersigned organizations, which are committed to the advancement of homeownership within minority and underserved communities, we applaud your landmark agreement on the economic stimulus package with the White House. We are pleased to see the addition of the FHA loan limit increase as well as the GSE conforming loan limit increase in the overall package.

We believe an increase to the conforming loan limit from \$417,000 to \$729,750 and increasing FHA loan limits in certain high cost areas to \$729,750 will not only act as an economic stimulant, it will also help minority communities overcome one of the key barriers they face in purchasing a home: the affordability gap. While we support a permanent increase in the GSE loan limit, we believe this is a step in the right direction for our economy and housing consumers.

A significant number of minority families do not qualify for FHA or conforming loans because a high percentage live and work in high cost areas where a limited number of homes fall under the existing loan limits. Allowing FHA and GSEs to purchase loans up to a higher loan limit will open the door for more consumers to obtain a lower interest rate on their loans and, therefore, increase their ability to purchase a home. In high cost States, such as California where only 14 percent of homes are affordable to average income families, even a small reduction in the interest rate can be significant and will help more families obtain their dream of homeownership.

In addition to the affordability challenges, home financing options are now dwindling. With lending institutions becoming increasingly risk-averse and financially challenged,

nonconforming and jumbo programs that minority groups have relied on in the past are more difficult to obtain. Higher loan limits on GSE and FHA loans will offset some of the negative effects of a changing mortgage landscape and create much needed liquidity and stability in this market.

We thank you for your leadership in moving this stimulus package forward.

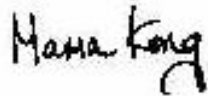
Sincerely,

A handwritten signature in black ink, appearing to read "Jim Park", with a long horizontal flourish extending to the right.

Jim Park
President and CEO
Asian Real Estate Association of America

A handwritten signature in black ink, appearing to read "Tim Sandos", with a large, stylized flourish at the end.

Timothy Sandos
President and CEO
National Association of Hispanic Real Estate Professionals

A handwritten signature in black ink, appearing to read "Maria Kong", with a stylized flourish at the end.

Maria Kong
President
National Association of Real Estate Brokers/REALTISTS