

Ranking Member requests conservator for Fannie and Freddie begin consideration of President Obama's refinancing plan

(Washington, DC) – Congressman Elijah E. Cummings, Ranking Member of the House Committee on Oversight and Government Reform, and Congressman Dennis Cardoza, Co-Chair of the Housing Stabilization Task Force, [today sent a letter to Edward DeMarco](#), Acting Director of the Federal Housing Finance Agency, requesting a meeting with Members of Congress to discuss the President's proposal to help more Americans refinance their mortgages at lower rates.

“According to various estimates, the President's proposal has the potential to grow the economy by one to three percent in 2012, create more than million jobs, and significantly lower the unemployment rate,” wrote Cardoza and Cummings. “A key part of the President's proposal is to help American families avoid foreclosures by assisting them in refinancing their mortgages at lower interest rates. This proposal would help not only these families, but their communities, investors, and American taxpayers.”

There are currently more than 8 million homeowners whose mortgages are guaranteed by Fannie Mae and Freddie Mac and which carry an interest rate at or above 6%, even though current 30-year mortgage rates are hovering at about 4.12%.

The Congressmen asked the agency to “make key agency officials available next week for a meeting with Members to begin discussing a plan to review, evaluate, and implement the proposal made by the President last night to help more American families refinance their mortgages at historically low interest rates.”

The President's proposal is similar to bipartisan legislation that has garnered widespread support from industry, investors, and consumer groups.

Congressman Cummings has long been a leader in the fight to keep American families in their homes. Last month, he joined 27 other Members of Congress in urging the Obama

Administration to expand to Fannie Mae, Freddie Mac, and Veterans Affairs the 12-month forbearance program that was announced for unemployed Federal Housing Administration borrowers.

Congressman Cardoza's bill, the Housing Opportunity and Mortgage Equity (HOME) Act, H.R. 363, would allow as many as 30 million homeowners with mortgages backed by Fannie Mae or Freddie Mac to benefit from the current very low market interest rates and refinance for up to 40 years at a fixed single-digit rate.