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# Congress of the United States

## House of Representatives

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STAFF DIRECTOR

October 21, 2011

Mr. Edward DeMarco  
Acting Director  
Federal Housing Finance Agency  
1700 G Street NW  
Washington, DC 20551

Dear Acting Director DeMarco:

We are writing to schedule a follow-up meeting to our October 6, 2011, meeting with 17 Members of Congress during which we discussed the status of your agency's plans to implement the President's proposal to help responsible homeowners refinance their mortgages at today's historically low rates.

During that meeting, you informed Members that you did not yet have a plan ready to share. You stated that the existing Home Affordable Refinance Program has not worked effectively to date and that the Federal Housing Finance Agency (FHFA) must go beyond making "tweaks" to the program to ensure it is "fixed." You indicated that FHFA was considering increasing the program's loan-to-value ratio limit beyond 125%, as well as addressing problems with refinancing fees, home appraisals, and representations and warranties, but you provided no details.

During the meeting, Members expressed their profound frustration with the agency's lack of urgency in addressing these issues. We expressed our concern that even if FHFA implements all of the changes you referenced, the program is likely to reach only a few hundred thousand homeowners, while millions of families are struggling and the housing market continues to spiral downward, negatively affecting the entire economy. We requested that you develop a much more aggressive approach to this crisis.

At the conclusion of the meeting, you committed to returning before the end of the month with additional details on your proposal. Given the urgency of ensuring that the President's proposal is implemented effectively and efficiently, we request that you meet with us on Wednesday, October 26, 2011, at 2:00 p.m. or sooner to ensure that Members are consulted

Mr. Edward DeMarco

Page 2

about your proposals *before* you announce them publicly. Please contact Davida Walsh at (202) 225-4741 to confirm this meeting.

Sincerely,



Elijah E. Cummings  
Ranking Member  
Committee on Oversight and Government Reform



Dennis Cardoza  
Member of Congress  
Co-Chair, Housing Stabilization Task Force

cc: The Honorable Darrell E. Issa, Chairman  
House Committee on Oversight and Government Reform