

March 6, 2013

The Honorable Barbara Mikulski  
Chairwoman  
Committee on Appropriations  
United States Senate  
Washington, DC 20510

The Honorable Richard Shelby  
Vice Chairman  
Committee on Appropriations  
United States Senate  
Washington, DC 20510

The Honorable Harold Rogers  
Chairman  
House Appropriations Committee  
U.S. House of Representatives  
Washington, DC 20515

The Honorable Nita Lowey  
Ranking Member  
House Appropriations Committee  
U.S. House of Representatives  
Washington, DC 20515

Dear Chairs and Ranking Members:

Recently, the Federal Housing Administration (FHA) notified Congress that it had exceeded 75 percent of its commitment authority to insure mortgages under the General Insurance/Special Risk Insurance (GI/SRI) Fund for multifamily rental and health care facilities. On behalf of our organizations, we urge Congress to act expeditiously to provide FHA with an additional \$5 billion of commitment authority to ensure continued access to these important programs. This is not a new appropriation. Failure to provide the additional commitment authority has the potential to cause significant disruptions to financing for apartments, hospitals, and health care facilities that serve millions of Americans.

During this continued period of significant turmoil in the credit markets, FHA's multifamily programs are providing needed stability and liquidity for project development and rehabilitation, acquisition, and recapitalization. In addition, FHA mortgage insurance is critical to the preservation of much-needed affordable housing. Any suspension of these important programs will negatively impact the availability of affordable credit and could result in some projects losing subsidy funds or being delayed so long that the projects become infeasible.

A shut-down of the programs will hurt our nation's economy just as we are beginning to see signs of a recovery. The National Association of Home Builders estimates that this additional authority will fund as many as 40,000 units, leverage \$2.2 billion in wages, and nearly 47,000 jobs. The FHA multifamily mortgage insurance programs generate enough revenue to cover their cost, thus the additional commitment authority would not require any budget offsets.

We thank you for your attention to this issue and stand ready to work with you on inclusion of the commitment authority in the Continuing Resolution to keep FHA's multifamily programs operating through the fiscal year.

Sincerely,

**Council for Affordable and Rural Housing**  
**Institute of Real Estate Management**  
**LeadingAge**  
**Mortgage Bankers Association**  
**National Apartment Association**  
**National Association of Housing Cooperatives**  
**National Association of Affordable Housing Lenders**  
**National Affordable Housing Management Association**  
**National Association of Home Builders**  
**National Association of Realtors**  
**National Leased Housing Association**  
**National Multi Housing Council**

cc: Senate Committee on Banking, Housing and Urban Affairs and House Financial Services Committee