

CHLA Policy Positions and Priorities

FEDERAL HOUSING ADMINISTRATION (FHA)

- **CHLA FHA Modernization Plan.** (1) Update Information Technology (IT), (2) Pay Scale Comparability, (3) Flexible Contracting Authority, (4) Allow use of receipts for actions that reduce FHA risk or losses.
- **Pricing Commensurate with Risk.** Preserve 2023 cut in annual premiums. End Life of Loan premiums.
- **Adopt the CHLA/NAR proposal to streamline FHA condo project approvals.** Improve the FHA condo approval process by granting DE-type approval authority and increasing approval transparency.

GOVERNMENT NATIONAL MORTGAGE ASSOCIATION (GINNIE MAE)

- **Liquidity Backstop.** Expand the PTAP program and/or adopt the Tozer Plan - to reduce Ginnie Mae risk, increase the confidence of warehouse lenders, and improve liquidity for all Ginnie Mae issuers.
- **Pool Flexibility.** Allow issuers to take individual loans out of existing Ginnie Mae Loan pools.
- **CHLA Ginnie Mae Modernization Plan.** (1) Full funding of administrative expenses, (2) Pay Scale Comparability, (3) Flexible Contracting Authority, (4) Commitment to broad base of small issuers.

FANNIE MAE AND FREDDIE MAC (FHFA)

- **End Fannie Mae, Freddie Mac Conservatorships.** FHFA should adopt a Utility Model, with small lender protections, including G Fee parity, full cash window access, and no GSE charters for Wall Street Banks.
- **No G Fee Budget Offsets.** Congress should not tax homebuyers to pay for non-housing spending.
- **Complete Substitution of Repurchase Demands with an Indemnification Fee option.** Fannie Mae and Freddie Mac should complete the task of replacing repurchase demands with a fair indemnification fee.

TAX POLICIES

- **Restore Portion of Mortgage Interest Deduction Benefits Lost in Last Tax Bill.** Adopt CHLA's Mortgage Interest Credit (MIC) for 1st Time Homebuyers, a 1st time homebuyer tax credit, or a higher SALT cap.
- **Make permanent the 20% Small Business (Qualified Business Income) Deduction.**

LO COMP REFORM

- **Allow reduced LO compensation to match offers for a borrower an LO has been working with.**
- **Allow reduced LO Compensation for Loans that an IMB Brokers Out.**
- **Allow a different LO Compensation level for State HFA Bond Financed Mortgage Loans.**

REJECT CALLS TO EXTEND CRA OR CRA-LIKE REQUIREMENTS TO IMBs

- **States Should Not Adopt CRA for IMBs.** State CRA for IMBs is neither appropriate nor necessary.
- **The CFPB Should Not Adopt a Backdoor CRA for IMBs.** (1) The CFPB should not use federal fair housing or ECOA laws to tell IMBs where to locate branch offices, where to market loans, or who to lend to. IMBs are already outpacing banks on mortgage loans to minority and underserved borrowers.

CHLA HOMEBUYER MORTGAGE BILL OF RIGHTS

1. **The Right to Be Protected from Abusive Trigger Lead Solicitations.**
2. **The Right to Real Competition in the pricing of FICO Credit Scores.**
3. **The Right to Robust Third Party Mortgage Service Provider Competition to bring down mortgage closing costs – for credit reports, Employment verification, and origination software services.**
4. **The Right to Obtain a Mortgage Loan Through a Qualified, Licensed Mortgage Loan Originator.**
5. **The Right to Full Disclosures and Protections in the use of Dual Compensation.**
6. **The Right to Have LO Comp Rules Apply Equally to Mortgage Bankers and Mortgage Brokers.**

REGULATORY BALANCE FOR SMALLER IMBS

- **No Regulation by Enforcement for Smaller IMBs.** The CFPB should not levy fines or take enforcement action against smaller IMBs without first giving them a chance to correct (as bank regulators do).
- **Streamline state exams of smaller IMBs.** CSBS should implement multi-state exams of IMBs, with a goal of ending duplicative exams in multiple states that put small IMBs at a competitive disadvantage.