

Michael Frat

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Senator John McCain
U.S. Senate
241 Russell Senate Office Building
Washington, DC 20510-0001

Subject: Make Higher Loan Limits Permanent for FHA, Freddie Mac & Fannie Mae

Dear Senator McCain,

As your constituent and a REALTOR, I urge you, as a Member of the Senate, to support making permanent the FHA, Fannie Mae and Freddie Mac loan limits in the bipartisan Economic Stimulus Act, signed by President Bush last February. The legislation raised the maximum loan limits in high cost areas to \$729,750 but it expires on December 31, 2008. The limits help homeowners in 240 counties in 26 states and can help get our national economy back on track.

The House-passed housing stimulus bill, H.R. 3221, makes the \$729,750 limits permanent. Senate bills cap the limits at \$550,440. Our 1.2 million members applaud the progress the Senate has achieved, but strongly believe that the final bill must include the House bill's loan limits.

The national mortgage market meltdown dramatically raised the cost and reduced the availability of mortgages in my market. Higher limits are helping to revitalize local housing markets, providing safe, fair and affordable mortgages for our state's homeowners. The limits are also helping to stabilize our entire economy. Higher limits simply reflect market realities in high cost areas. A lower limit unfairly penalizes citizens based simply on geography.

Drastically reducing the temporary limits at year's end to the Senate cap of \$550,440 will push our fragile housing and credit markets back into turmoil. We need permanent limits of \$729,750 to stabilize our housing markets and help citizens of every state -- not just residents of high cost areas. Please support making the \$729,750 loan limits permanent.

Sincerely,
Michael Frat
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Suite 100
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