

NATIONAL
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NCRC Applauds President Obama's Leadership on Housing, Calls On Fannie And Freddie To Write Down Loans

Washington, DC -- Today, the National Community Reinvestment Coalition (NCRC) applauded President Obama for announcing new steps allowing homeowners to refinance FHA insured loans at lower rates, and an agreement with lenders which would provide financial restitution for veterans who were improperly foreclosed upon. NCRC President & CEO John Taylor called upon Edward DeMarco, Acting Director of the Federal Housing Finance Agency (FHFA) –the regulator of Fannie Mae and Freddie Mac– to follow President Obama's lead and allow principal reductions on Fannie Mae and Freddie Mac loans.

"President Obama's plan to allow FHA insured borrowers to refinance their loans at a reduced fee is another positive step toward repairing the damage to the economy from the housing crisis. The President's increased leadership on this issue is a very encouraging sign. But the biggest issue facing the housing market is that Fannie Mae and Freddie Mac are not writing down loans. Until that happens, the President's initiatives will have a positive but modest impact," said Taylor.

"We will see much more positive improvement in the housing market with significant principal reductions on Fannie Mae and Freddie Mac loans. Their failure to do so continues to be a major drag on the economy. Fixing the housing market is in the taxpayer's best interest, because doing so is necessary for a robust economic recovery."

"We also call upon Congress to take action and enact the broader reforms and aid for homeowners President Obama has proposed. The American promise of opportunity should not be put on hold because of political concerns."

Since 2007 NCRC has been calling for more [aggressive measures and interventions](#) to stem the tide of foreclosure, [including principal reductions](#).

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The National Community Reinvestment Coalition is an association of more than 600 community-based organizations that promote access to basic banking services, including credit and savings, to create and sustain affordable housing, job development and vibrant communities for America's working families. Find out more at: <http://www.ncrc.org>.