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July 31, 2017

The Honorable Melvin L. Watt
Director
Federal Housing Finance Agency
Office of Housing and Regulatory Policy,
400 7th Street, S.W.
9th Floor
Washington, D.C., 20219

Transmitted via: www.fhfa.gov/AboutUs/Contact/Pages/Request-for-Information-Form.aspx

RE: Improving Language Access in Mortgage Lending and Servicing

Dear Director Watt:

On behalf of the over 1.2 million members of the National Association of REALTORS® (NAR), I provide these comments to the Federal Housing Finance Agency (FHFA) on its Request for Input on Improving Language Access in Mortgage Lending and Servicing.

The National Association of REALTORS® is America's largest trade association, including NAR's institutes, societies, and councils, involved in all aspects of the residential and commercial real estate industries. NAR's membership is composed of residential and commercial REALTORS® who are brokers, salespeople, property managers, appraisers, counselors, and others engaged in the real estate industry. Members belong to one or more of approximately 1,200 local associations/boards and 54 state and territory associations of REALTORS®.

NAR supports efforts to expand access to financing and homeownership and appreciate that FHFA, and Fannie Mae and Freddie Mac, are exploring ways to allow for broader access to individuals with limited English proficiency (LEP). Additionally, many lenders have recognized the value in serving qualified LEP borrowers as a way to serve more consumers and expand access to credit.

Broadening Access for Borrowers with Limited English Proficiency

The mortgage industry, including Fannie Mae and Freddie Mac (the government sponsored enterprises, or GSEs), has taken steps to serve LEP borrowers to allow borrowers to better comprehend the mortgage process. NAR is supportive of additional efforts by FHFA and the GSEs to promote access to mortgage credit for mortgage-ready LEP borrowers. The ultimate goal would be to have more consumers feel comfortable with the home purchase and financing process and could be done through public education in partnership with REALTORS®.

NAR has previously supported efforts by the Department of Housing and Urban Development (HUD) to provide translations and interpreters for beneficiaries of federal housing programs and believe that further support by the GSEs will help a broader set of lenders serve more consumers. As part of these efforts, the GSEs should provide translations into more languages. Importantly, the GSEs need to continue working with lenders to reduce potential liability by including disclosures on the translated documents that state that the English language version is the enforceable version of the document. Additionally, a pilot program that compensates housing providers for the additional



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costs of using translated documents and interpreters would help broaden access to mortgage credit to LEP borrowers needing assistance. As with lenders, the GSEs should provide indemnification to housing providers who use the GSE translations of the standardized documents should there be a conflict between the translation and the English language original. Ultimately, solving operational and legal concerns of industry participants will help ease implementation goals.

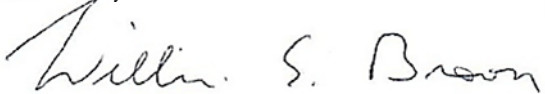
Serving REALTORS® and Consumers

Many REALTORS® access real estate transaction forms through their state and local associations, which are used in the home purchase transaction for millions of consumers, both buyers and sellers, each year. Understanding that REALTOR® members may conduct business with LEP consumers who would benefit from having some forms translated, many Associations have translated forms or explanations of the real estate transaction into other languages. These tools were developed by the Associations to assist their members -working with LEP consumers. Though the English language versions remain the enforceable versions of the documents, reducing the complexity for LEP consumers assists our members and their clients throughout the transaction.

Conclusion

Thank you for the opportunity to comment on FHFA's Request for Input on Improving Language Access in Mortgage Lending and Servicing. NAR appreciates FHFA's efforts to provide leadership in ensuring creditworthy consumers have reasonable access to mortgage credit. If I may be of any assistance to you, please do not hesitate to contact me or Charlie Dawson, NAR's Managing Director for Regulatory Policy and Industry Relations, at 202.383.7522 or CDawson@REALTORS.org.

Sincerely,

A handwritten signature in black ink that reads "William E. Brown". The signature is written in a cursive, flowing style.

William E. Brown

2017 President, National Association of REALTORS®