

Resolution No. 20

Date: May 7, 1988

City: Washington, DC

NAHB Resolution

Title: Government National Mortgage Association Servicing Fee
Original Sponsor: Standing Committee on Mortgage Finance

WHEREAS, the Government National Mortgage Association has been vital to the availability of affordable rates on Federal Housing Administration/Veterans Administration mortgages;

WHEREAS, these affordable rates are the result of the standardization and liquidity of GNMA-mortgage pass-through securities, which have greatly broadened the investor base in mortgages;

WHEREAS, the Administration has proposed altering the fee receive by services of mortgages in GNMA pools, and this change likely would damage GNMA liquidity, increase required by investors and increase borrowing costs for FHA/VA borrowers; and

WHEREAS, the proposed fee change also may eventually result in higher losses for GNMA;

NOW, THEREFORE, BE IT RESOLVED that the National Association of Home Builders oppose any change in the servicing fee of the Government National Mortgage Association.

Board of Directors Action:
Joint Executive/Resolutions Committee Action:
Resolutions Committee Action:
Standing Committee on Mortgage Finance Action:

Approved
Recommends Approval
Recommends Approval
Recommends Approval