August 9, 2012

The Honorable Barack Obama
The President
The White House
1600 Pennsylvania Avenue
Washington, D.C. 20500-0005

Dear Mr. President:

We urge you make a recess appointment to fill the Director position at the Federal Housing Finance Agency (FHFA). The ongoing housing crisis affects millions of homeowners and threatens to hold back economic growth for years to come, driving down tax bases in cities, towns and states and further deepening their budget crises. It is therefore imperative to have a pragmatic leader at FHFA who will work cooperatively with your administration to resolve the housing crisis.

The FHFA regulates and serves as conservator for Fannie Mae and Freddie Mac (GSEs), which currently hold the majority of the mortgages in the country. It has been reported that in the first quarter of 2012, 3.7 percent of Fannie Mae's mortgages and 3.5 percent of Freddie Mac's mortgages were seriously delinquent. As of the end of 2011, there were approximately 4.6 million Fannie Mae and Freddie Mac loans underwater. As long as this serious negative equity problem persists, many homeowners will remain at risk, and the housing market will continue to struggle.

It is clear that your administration has made every effort to constructively work with Edward DeMarco, the current Acting Director of FHFA, in order to repair the damage done by the housing crisis. However, in light of Mr. DeMarco’s announcement after months of deliberation that he will not allow the GSEs to participate in the Home Affordable Modification Program Principal Reduction Alternative (HAMP-PRA), it is essential to fill the position with a permanent Director in a recess appointment and replace Mr. DeMarco.

FHFA’s own analysis shows that allowing the GSEs to participate in the HAMP-PRA program could benefit up to 500 thousand homeowners, save $3.6 billion for Fannie Mae and Freddie Mac, and save up to a $1 billion for taxpayers. Participation in the program would not only help Americans stay in their homes, it would also save the GSEs and taxpayers money. This is in addition to the positive impact that stabilizing the housing market will have on the economy.

In Treasury Secretary Geithner’s July 31 letter to Mr. DeMarco, he rightly states that five years into this crisis, millions of homeowners are still at risk of losing their homes, and that FHFA has the power to help many of those homeowners by correcting their loan principals to better reflect the current value of their homes. In turn, your administration has the power to ensure that FHFA is run by a Director who will do what is best for the GSEs, taxpayers and homeowners alike.
Your recess appointment of Consumer Financial Protection Bureau Director Richard Cordray in January 2012 has already had a positive impact for many consumers and homeowners. This is another situation where a recess appointment is not only appropriate and within your power as President, but absolutely necessary.

Sincerely,

Consumer Action
National Association of Consumer Advocates (NACA)
National Association of Latino Community Asset Builders (NALCAB)
National Community Reinvestment Coalition (NCRC)
National Urban League
National People’s Action
PICO National Network
Public Citizen
Rainbow PUSH Coalition
The New Bottom Line

1st Choice Counseling & Education
AAA Fair Credit Foundation
AAMU CDC
Abyssinian Development Corporation
Action Now Institute
Advocates for Basic Legal Equality (ABLE)
Affordable Homes of South Texas
Affordable Housing Centers of America
Affordable Housing Clearinghouse
African American Chamber of Commerce of Montgomery County
Aging Care Connections
Alaska Works Partnership, Inc.
Alliance of Californians for Community Empowerment (ACCE)
An Angel's Touch Foundation
Apprisen
Association for Neighborhood & Housing Development, Inc (ANHD)
Athens Land Trust
Atlanta Housing Association of Neighborhood-based Developers (AHAND)
Atlanta Neighborhood Development Partnership, Inc.
Aurora Family Services
Baltimore Neighborhoods, Inc.
BAME Renaissance CDC
Bayside Community Center
BDT Housing Services Enterprise
Birmingham Business Development Initiative
Birmingham Business Resource Center
BRIDGE, Inc.
Bridging Communities, Inc.
Buffalo Urban League, Inc.
Building Alabama Reinvestment (BAR)
Business and Professional People for the Public Interest
Cabrillo Economic Development Corporation
California Capital Financial Development Corporation
California Coalition for Rural Housing
California Community Economic Development Association
California Reinvestment Coalition
California Resources and Training - CARAT
Calvert Asset Management Company
Camden First Community Development Corporation
CASA of Oregon
Causa Justa::Just Cause
CDC of Marlboro County (CDCMC)
CDC Small Business Finance Corporation
CEIBA Housing & Economic Development Corporation
Center for Fair Housing, Inc
Center for New York City Neighborhoods
Centre for Homeownership and Economic Development Corporation
Chelsea Collaborative
Chester Community Improvement Project (CCIP)
Chicago Coalition for the Homeless
Chicago Community Loan Fund
Chicago Jobs Council
Chicago Rehab Network
Chicago Urban League
Chicanos Por La Causa, Inc.
City Life/ Vida UrbanaClarifi
Coalition for Community Banking
Coastal Enterprises, Inc.
Common Wealth Development, Inc.
Community Action Committee of the Lehigh Valley
Community Action Partnership of Suburban Hennepin
Community Action Partnership of the Greater Dayton Area
Community Development Advocates of Detroit (CDAD)
Community Development Council of Greater Memphis
Community Economic Development Association of Michigan (CEDAM)
Community Housing Opportunities Corporation
Community Media Workshop
Community Reinvestment Fund, Inc.
Community Reinvestment Organizing Project, Chicago, Illinois
Community Service Network, Inc.
Community Service Programs of West Alabama, Inc.
Community Solutions Consumer Services, Inc.
Covenant Faith Outreach Ministries/Covenant Community Development Corporation
Credit Builders Alliance
Debt Counseling Corporation
Delaware Community Reinvestment Action Council, Inc. (DCRAC)
Destiny Development Corporation
Detroit Nonprofit Housing Corporation
Divine Direction Consulting
Dominion Financial Management
Durham Regional Community Development Group
Each One Teach One, Inc.
Eden Council for Hope and Opportunity (ECHO)
Elder Law of Michigan
Empowering and Strengthening Ohio's People (ESOP)
Escambia County Housing Finance Authority
Fair Housing Center of Greater Boston
Fair Housing Center of Metropolitan Detroit
Fair Housing Center of Northern Alabama
Fair Housing Center of Southeastern Michigan
Fair Housing Center of Southwest Michigan
Fair Housing Council of Northern New Jersey
Fair Housing Council of Riverside County, Inc.
Fair Housing Council of Suburban Philadelphia
Faith Action for Community Equity (FACE)
Family Management Credit Counselors
Family Tree
Florida Community Loan Fund
Florida Housing Coalition, Inc.
Florida Low Income Housing Associates, Inc.
Foundation Capital
Forest of the Rain ProductionsGAP Community Development Resources, Inc.
Genesis Housing Development Corporation
Georgia Community Action Association
Global Network CDC
Global One Development Center
Governance & Accountability Institute
Greater Boston Legal Services
Greater New Haven Community Loan Fund
Greater Rochester Community Reinvestment Coalition
Greater Sacramento Urban League
Greater Southwest Development Corp
Habitat for Humanity of Washington State
Hammond Human Relations Commission
Harlingen Community Development Corporation
Hartford Community Loan Fund, Inc.
Healthy Neighborhoods, Inc.
Helping Hands Community Outreach Center
Hill Community Development Corporation
Home Preservation & Prevention, HPP Cares
Homeward, Inc.
Hope Enterprise Corporation
Housing Action Coalition of Rhode Island
Housing Action Illinois
Housing Alliance of Pennsylvania
Housing Assistance Council (HAC)
Housing Authority of the City of Pittsburgh
Housing Development Fund, Inc.
Housing Education and Economic Development (HEED)
Housing Education Resource Center
Housing Helpers Inc.
Housing Network of Rhode Island
Housing Opportunities Collaborative
Housing Opportunities Made Equal of Virginia (HOME)
Housing Opportunities Project for Excellence, Inc. (HOPE)
Housing Research & Advocacy Center
Housing Resource Center of Monterey County
Housing Resources of Western Colorado
Indiana Association for Community Economic Development, Inc. (IACED)
Illinois People's Action
Inner City Press/Fair Finance Watch
Instituto Socio-Economico Comunitario, Inc. (INSEC)
Interfaith Housing Center of the Northern Suburbs
Iowa Foundation of Microenterprise
Irvin M. Henderson & Company
Jacksonville Area Legal Aid
Jefferson County Committee for Economic Opportunity (JCCEO)
Jewish Community Action
John Marshall Fair Housing Center
Justine Petersen Housing and Reinvestment, Inc
Lakeside Community Development Corporation
Law Foundation of Silicon Valley
Lawyers Committee for Better Housing
Legacy Redevelopment Corporation
LINC Community Revitalization, Inc.
Long Island Housing Services, Inc.
Louisiana Community Reinvestment Coalition
Lynn United for Change
M.C. Library Education Center Corporation
Main Street Birmingham, Inc.
Marian Creek Jackson Center
Martin Luther King Jr. Community Development Corporation
Maryland Consumer Rights Coalition, Inc.
Massachusetts Affordable Housing Alliance (MAHA)
Massachusetts Association of Community Development Corporations
Metro St. Louis Coalition for Inclusion & Equity (M-SLICE)
Metropolitan Consortium of Community Developers
Metropolitan Milwaukee Fair Housing Council
Metropolitan St. Louis Equal Housing Opportunity Council (EHOC)
Miami Valley Fair Housing Center, Inc.
Michigan CRA Coalition
Milwaukee Fair Housing Council
Milwaukee Realtist Association, Inc
Movin' Out, Inc.Mt. Pleasant Community Zone
NC Institute of Minority Economic Development
Nehemiah Community Reinvestment Fund
Neighborhood Economic Development Advocacy Project (NEDAP)
Neighborhood Home Solutions
Neighborhood Housing Services of Greater Cleveland
Neighborhood Housing Services of Jamaica
Neighborhood Housing Services of South Florida
Neighborhood Legal Services of LA County
Neighborhood Recovery CDC
Nevada Fair Housing Center, Inc.
New Hampshire Community Loan Fund
New Hope Community Development Non-Profit Housing Corporation
New Jersey Citizen Action (NJCA)
New Orleans Neighborhood Development Foundation
New Visions Community Development Corporation
New York StateWide Senior Action Council, Inc.
North Walke Housing Corporation
North Branch Works
Northside Community Reinvestment Coalition-Minneapolis
North Side Community Federal Credit Union
Northern New England Housing Investment Fund
Northwest Fair Housing Alliance
Northwest Indiana Community Actions
Northwest Indiana Reinvestment Alliance
Northwest Side Community Development Corporation
Northwest Side Housing Center
Oak Park Regional Housing Center
Ohio Association of Second Harvest Foodbanks
Ohio Community Development Finance Fund
One-Stop Career Center of Puerto Rico
Opening Doors, Inc.
Oregon Opportunity Network
Organize Ohio
Pacific Asian Consortium on Employment (PACE)
Partners in Charity
Partners in Community Building, Inc. (PICB)
PathStone
People's Self-Help Housing Corporation
Philadelphia Association of CDCs
Philadelphia Council for Community Advancement
Philadelphia Unemployment Project
Piedmont Housing Alliance
Pilsen Neighbors Community Council
Pittsburgh Community Reinvestment Group
Poverty & Race Research Action Council
Pratt Area Community Council
Pride Through Empowerment Foundation
Project IRENE
RAFI-USA
Raleigh Area Development Authority (RADA)
REACH Community Development, Inc.
Reinvestment Partners
RISE Foundation
River Cities Development Services
River City Community Development Corporation
Rochester Home Opportunities
Rock Island Economic Growth Corporation
Rural Community Assistance Corporation (RCAC)
Rural Housing, Inc.
Sacramento Yolo Mutual Housing Association
San Diego Reinvestment Task Force
Sargent Shriver National Center on Poverty Law, Inc.
Scott County Housing Council
Select Milwaukee, Inc.
Self-Help Enterprises
SJ Adams Consulting
South Fairmount Community Council
South Philadelphia H.O.M.E.S., Inc.
South Suburban Action Conference
Southeast Rural Community Assistance Project, Inc. (RCAP)
Southern Mutual Help Association, Inc.
Southern Regional Community Reinvestment Corporation
Southwest Fair Housing Council
Southwest Georgia Housing Partnership
Spanish Coalition for Housing
Spokane Low Income Housing Consortium
St. Johns Housing Partnership
St. Joseph Homeownership Ministry
Sunnyside Up Campus Neighborhoods Revitalization Corporation
Sustainable Community Farms
Texas Association of Community Development Corporations (TACDC)
The Arc of Hilo  
The Mattie C. Stewart Foundation  
The Monroe Foundation  
The Nehemiah Foundation  
The PERICO Institute for Development and Entrepreneurship (PRIYDE)  
The South Orange / Maplewood Community Coalition on Race, Inc  
The Victoria Foundation  
The Woodstock Institute  
Toledo Fair Housing Center  
U-SNAP-BAC  
Umoja Institute  
Union of The Pan Asian Communities  
United Community Center  
United Neighborhood Centers of Northeastern Pennsylvania  
United Neighbors, Inc.  
United Planning Organization  
United South Broadway Corporation  
United Way of Central Alabama  
Unity Economic Development Corporation  
Universal Housing Solutions CDC  
Urban Economic Development Association of Wisconsin, Inc. (UEDA)  
Valley Economic Development Center  
Vermont Slauson Economic Development Corporation  
Washington Asset Building Coalition  
Wateree Community Action  
We Help Community Development Corporation  
Welcome Home CDC  
Westside Health Authority  
West Company  
West Humboldt Park Family & Community Development Council  
West Tennessee Legal Services  
Westchester Residential Opportunities, Inc.  
Western Hill Chamber of Commerce  
Western Maine Community Action  
Western New York Law Center, Inc.Women's Development Center (WDC)  
World Efforts Outreach Ministries  
WOTHA Housing and Development Corporation