

January 28, 2021

The Honorable Pat Toomey  
Chairman  
Committee on Banking, Housing, and Urban  
Affairs  
United States Senate  
Washington, DC 20510

The Honorable Sherrod Brown  
Ranking Member  
Committee on Banking, Housing, and Urban  
Affairs  
United States Senate  
Washington, DC 20510

Dear Chairman Toomey and Ranking Member Brown

On behalf of America's credit unions, I am writing in regard to the hearing on the nomination of The Honorable Marcia L. Fudge, of Ohio, to be Secretary, U.S. Department of Housing and Urban Development. CUNA represents America's credit unions and their more than 120 million members.

As the COVID-19 pandemic persists, we have seen economic disruption across the country with revenue streams coming to a halt and the number of unemployed or financially distressed consumers significantly increased.

However, the housing market has been one of the few bright spots in the economy during the COVID-19 pandemic. Spurred by the historic lows in interest rates, credit unions have continued to punch above their weight by providing a record-breaking number of mortgage loans. These numbers include loan refinances that are reducing members' monthly mortgage bills and purchase money mortgages as credit unions continue their mission of providing credit access to members who may not be able to receive financing from banks or other lenders. Credit unions are also continuing their historic role in financial education, informing members of significant mortgage relief available to those negatively impacted by the COVID-19 crisis.

Pursuant to our shared desire of ensuring that credit unions can continue to provide mortgage credit at existing or higher levels in 2021 and beyond, we suggest the following housing priorities for consideration:

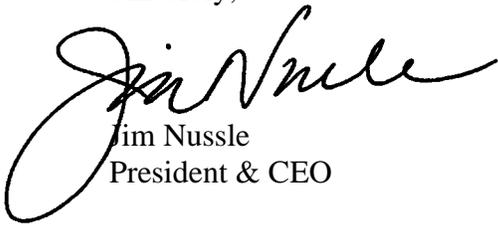
- Include mortgage payment assistance to borrowers impacted by the COVID-19 crisis in any stimulus package to ensure that we do not have a foreclosure crisis when current or new COVID forbearance programs and eviction moratoria expire;
- Include temporary liquidity assistance for mortgage servicers in any stimulus package to increase the economic stability of credit unions and Credit Union Service Organizations (CUSOs) that must front principal and interest payments for any investor-held mortgages in their servicing portfolio;
- Ensure the Federal Housing Finance Agency's (FHFA) recapitalization plans for Fannie Mae and Freddie Mac are phased in on a schedule that prevents disruption of the secondary mortgage market, which credit unions have utilized at increasing rates in recent years; and

- Any amendments to existing housing finance reform plans should ensure that the secondary market remains open to lenders of all sizes on an equitable basis, without allowing Fannie Mae and Freddie Mac to provide discounts based on volume or otherwise charge higher fees to smaller lenders such as credit unions.

Credit unions have been and continue to be America's financial first responders during the COVID-19 pandemic and the ensuing economic fallout. We look forward to working with Congress and the new Administration to ensure that credit unions continue to meet challenges in 2021 and beyond.

Thank you for the opportunity to share our views.

Sincerely,

A handwritten signature in black ink, appearing to read "Jim Nussle". The signature is fluid and cursive, with a large initial "J" and "N".

Jim Nussle  
President & CEO