



September 30, 2008

Dear Member of Congress,

On behalf of the Mortgage Bankers Association, I encourage Congress to immediately come together and find common ground on an agreement on a financial stability package that will help resolve the ongoing financial crisis. Doing so is critically important to addressing a fundamental threat to the United States and global economies. MBA supports quick passage of legislation that will help restore liquidity to the financial markets without doing long-term harm to the real estate finance system.

The situation in the credit markets is already having a severe impact on consumers and businesses. Credit is harder to obtain at the consumer level, not only for mortgages, but for automobiles, student loans and other financing needs. The situation in the business credit market is even worse, with well-founded fears that businesses will not be able to secure the funding they need to ensure the smooth functioning of mission critical operations, such as payroll and supply chain management. If these functions fail in large numbers, the current stresses in the market could rapidly become a financial calamity that will be difficult to slow down.

While we fully support efforts to help borrowers who are having difficulties paying their loans, we continue to oppose efforts to give bankruptcy judges the authority to cram down residential mortgage debt. Allowing mortgage cram downs will destabilize the markets, creating the exact opposite effect intended by Congress.

Passing a financial stability program is important to averting a major financial crisis, the scale of which we have not seen in decades.

MBA strongly encourages you to pass legislation as quickly as possible.

Sincerely,

A handwritten signature in black ink that reads "John A. Courson". The signature is written in a cursive style.

John A. Courson  
Chief Operating Officer