



# The Community Mortgage Lenders of America

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## **CMLA OPPOSITION SUCCEEDS IN BLOCKING NEW FHA FEE**

**Washington, D.C., December 10, 2014/PRNewswire** – The Community Mortgage Lenders of America today announced that its opposition had effectively defeated a proposed FHA administrative fee – as high as 4 basis points – for all FHA insured loans. The fee had been included in the Senate version of legislation to fund the Federal Government for the balance of the fiscal year.

**Notably, CMLA was the *only* association that actively opposed this fee. CMLA's effort was aligned with our mission to exclusively represent small and mid-sized independent and community based lenders.**

CMLA lobbied the Senate and House Appropriations Committees to drop the fee, which would have been used to fund technology upgrades and improvements to FHA's IT systems. CMLA fired off a letter to the Committees arguing that while FHA's outdated IT systems are in dire need of upgrades, any IT updates should be funded through HUD appropriations – not by a new tax on FHA lenders, which would be ultimately be passed onto borrowers. Following CMLA's letter, House and Senate negotiators charged with drafting the funding bill dropped the authorization for the fee.

CMLA Chair Paulina McGrath said the association “is pleased to have succeeded in blocking additional costs for borrowers seeking FHA-insured mortgages next year and the lenders who will originate those loans. Mid-sized and small community-based lenders help many consumers, particularly first-time buyers, to realize their homeownership aspirations with FHA-insured mortgages. The last thing that those consumers, and the lenders who serve them, needed were additional fees that increased the cost of their home loans. We are proud to have taken a principled stand opposing these fees, for the benefit of consumers and the mid-sized and small lenders who serve their financing needs.”

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**About the CMLA**

[www.thecmla.com](http://www.thecmla.com)



## The Community Mortgage Lenders of America

CMLA is the *only* trade association solely dedicated to advocating for independent, community-based residential mortgage lenders. *Founded in 2009, The CMLA is committed to the preservation of a thriving independent mortgage lending sector, which increases competition in the industry and, thus, provides borrowers with greater choice and lower costs.* The CMLA membership includes lenders nationwide that, collectively, originate more than \$100 billion worth of residential mortgage loans annually. The CMLA works to ensure the interests of its members are effectively represented before members of Congress, Federal regulators and the Executive branch.

*For more information, please visit [www.thecmla.com](http://www.thecmla.com) and/or direct policy and member inquiries to Glen Corso at 925.323.7084*