

112TH CONGRESS  
1ST SESSION

# S. 1508

To extend loan limits for programs of the Federal Housing Administration, the government-sponsored enterprises, and the Department of Veterans Affairs, and for other purposes.

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## IN THE SENATE OF THE UNITED STATES

AUGUST 2, 2011

Mr. MENENDEZ (for himself, Mr. ISAKSON, and Mrs. FEINSTEIN) introduced the following bill; which was read twice and referred to the Committee on Banking, Housing, and Urban Affairs

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## A BILL

To extend loan limits for programs of the Federal Housing Administration, the government-sponsored enterprises, and the Department of Veterans Affairs, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*  
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “Homeownership Af-  
5 fordability Act of 2011”.

1 **SEC. 2. FEDERAL HOUSING ADMINISTRATION LOAN LIMIT**  
2 **EXTENSION.**

3 (a) IN GENERAL.—Notwithstanding any other provi-  
4 sion of law, for mortgages for which a Federal Housing  
5 Administration case number has been assigned during the  
6 period beginning on the date of enactment of this Act and  
7 ending on December 31, 2013, the dollar amount limita-  
8 tion on the principal obligation for purposes of section 203  
9 of the National Housing Act (12 U.S.C. 1709) shall be  
10 considered to be, except for purposes of section 255(g) of  
11 such Act (12 U.S.C. 1715z–20(g)), the greater of—

12 (1) the dollar amount limitation on the prin-  
13 cipal obligation of a mortgage determined under sec-  
14 tion 203(b)(2) of the National Housing Act (12  
15 U.S.C. 1709(b)(2)); or

16 (2) the dollar amount limitation that was pre-  
17 scribed for such size residence for such area for  
18 2008 pursuant to section 202 of the Economic Stim-  
19 ulus Act of 2008 (Public Law 110–185; 122 Stat.  
20 620).

21 **SEC. 3. FANNIE MAE AND FREDDIE MAC LOAN LIMIT EX-**  
22 **TENSION.**

23 (a) IN GENERAL.—Notwithstanding any other provi-  
24 sion of law, for mortgage loans originated during the pe-  
25 riod beginning on the date of enactment of this Act and  
26 ending on December 31, 2013, the limitation on the max-

1 imum original principal obligation of a mortgage that may  
2 be purchased by the Federal National Mortgage Associa-  
3 tion or the Federal Home Loan Mortgage Corporation  
4 shall be the greater of—

5           (1) the limitation in effect at the time of the  
6 purchase of the mortgage loan, as determined pursu-  
7 ant to section 302(b)(2) of the Federal National  
8 Mortgage Association Charter Act (12 U.S.C.  
9 1717(b)(2)) or section 305(a)(2) of the Federal  
10 Home Loan Mortgage Corporation Act (12 U.S.C.  
11 1454(a)(2)), respectively; or

12           (2) the limitation that was prescribed for loans  
13 originated during the period beginning on July 1,  
14 2007 and ending on December 31, 2008, pursuant  
15 to section 201 of the Economic Stimulus Act of  
16 2008 (Public Law 110–185, 122 Stat. 619).

17       (b) FEE INCREASES.—Notwithstanding any other  
18 provision of law, the Federal Housing Finance Agency  
19 shall, by rule or order, increase mortgage guarantee fees  
20 charged by the Federal National Mortgage Association  
21 and the Federal Home Loan Mortgage Corporation for  
22 mortgage loans of not less than \$625,500 or more than  
23 \$729,750 originated during the period beginning on Octo-  
24 ber 1, 2011, and ending on December 31, 2013, in an

1 amount necessary to increase by \$336,000,000 the rev-  
2 enue raised from such fees.

3 **SEC. 4. DEPARTMENT OF VETERANS AFFAIRS LOAN LIMIT**  
4 **EXTENSION.**

5 Section 501 of the Veterans' Benefits Improvement  
6 Act of 2008 (Public Law 110–389; 122 Stat. 4175; 38  
7 U.S.C. 3703 note) is amended, in the matter before para-  
8 graph (1), by striking “December 31, 2011” and inserting  
9 “December 31, 2013”.

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