



CHLA Strongly Commends FHFA Director Calabria for Moving Back Effective Date of GSE Adverse Market Fee

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The Community Home Lenders Association (CHLA) today issued the following statement in response to the [announcement](#) by FHFA that it was moving back the effective date on the new half point adverse market refinance fee to December 1st.

"The Community Home Lenders Association strongly commends FHFA Director Calabria for his announcement today that Fannie Mae and Freddie Mac will be moving back to December 1st the effective date on their new half point adverse market fee on refinance mortgage loans - as well as exempting certain affordable loans from the fee." said Scott Olson, Executive Director of CHLA.

"CHLA fully appreciates Director Calabria's comments that COVID-19 is creating billions of dollars of GSE losses that necessitates repricing of risk on certain GSE products and loans.

Giving adequate time to adjust to the fee in this manner helps both consumers and lenders alike, and from the lender perspective, maintains confidence going forward that lenders can aggressively offer 60-day mortgage rate locks to consumers without concerns about intervening rate hikes."

CHLA is also pointing out that its longstanding criticisms of the GSE profit sweep are being vindicated by the COVID crisis - as the failure to allow profits in flush years to be kept as reserves for problems like this have exacerbated the GSEs' finances and created more pressures to impose fees like the adverse market fee.

"COVID-19 shows the folly of the GSE profit sweep, which many groups like CHLA have long warned about.

CHLA is very appreciative that FHFA Director Calabria moved quickly on taking office to end this misguided policy - a move that has averted the need to take more drastic actions that would have hurt consumers even more," said Scott Olson, CHLA Director.