

Mahoney Takes Action to End Housing Crisis

Praises Federal Reserve Chairman and Urges

President Not to Make Good on Veto Threat

(May 9, 2008)

(Port St. Lucie, FL) - Today, several pieces of fiscally responsible legislation co-sponsored and supported by Congressman Tim Mahoney (FL-16) and part of the American Housing Rescue and Foreclosure Prevention Act of 2008, passed the House of Representatives. The legislation will now move to the Senate. President Bush has threatened to veto the House package.

"For anyone who calls this a bailout, I would invite them to come to my district and meet some of the thousands of families who are in foreclosure. They are firefighters and teachers who had no other options besides the sub prime mortgage market to realize the dream of homeownership," said Congressman Mahoney. "The legislation that I co-sponsored and that we approved today is fiscally responsible, supported by the Federal Reserve Chairman Bernanke, and will help us get our economy back on track. I urge the President to do the right thing and work with the Congress to get this legislation passed."

Congressman Mahoney spoke on the floor to support the legislation.

[Click Here to See Congressman Mahoney's Speech](#)

The Pew Center on the States estimates that 1 in 26 Florida homeowners will face foreclosure in the coming years as a result of sub-prime mortgages and Florida is 1 of 6 states expected to experience the highest rates of foreclosures over the next two years. [Click here for more information on the Foreclosure Crisis in Florida](#)

The American Housing Rescue and Foreclosure Prevention Act of 2008 is comprised of several measure that will help families become first-time homebuyers, assist existing homeowners, help other families facing foreclosure keep their homes, and help stabilize property values in neighborhoods harmed by high foreclosure rates. As most Americans' primary investment is their home, ending the foreclosure crisis is vital to the American economy's recovery. The measures include::

1) The Housing Assistance Tax Act of 2008: (H.R. 5720) Congressman Mahoney is an original co-sponsor of this legislation with Ways and Means Chairman Charles Rangel (NY), which provides:

First time homebuyers with an interest free loan, up to \$7500, towards a home down-payment. Taxpayers would be required to repay any amount received under this provision to the government over 15 years in equal installments. Property tax relief for homeowners who claim the standard deduction by allowing them to claim an additional standard deduction of up to \$350 (\$700 for joint filers) for State and local real property taxes. This provision applies for 2008. Temporary increase in low-income housing tax credit and simplification of the credit. It increases the current limit of the credit from \$2.00 for each person residing in a state by an additional 20 cents per resident. This will help put builders to work to create new options for families seeking affordable housing alternatives.

- 2) The Neighborhood Stabilization Act of 2008: Congressman Mahoney is an original co-sponsor of this legislation, which would establish a \$15 billion, HUD administered loan and grant program for the purchase and rehabilitation of owner-vacated, foreclosed homes to stabilize neighborhoods in cities facing high foreclosure rates.

- 3) FHA Housing Stabilization and Homeownership Retention Act: (H.R. 5830) Congressman Mahoney has co-sponsored this legislation, which aims to expand the FHA program to help refinance at-risk borrowers into viable mortgages. Earlier in the week, the Financial Services Committee adopted Mahoney's amendment to this act, which will work to ensure that homeowners facing foreclosure receive counseling that could help them keep their homes.

- 4) Preserving the American Dream for Our Nation's Veterans: Mahoney supported this provision, which increases the Veterans Administration Home Loan limit in high-cost housing areas so that veterans have more homeownership opportunities and helps returning soldiers avoid foreclosure by lengthening the time a lender must wait before starting foreclosure.

- 5) Expanding American Homeownership Act of 2007: (H.R. 1852) Mahoney supported this legislation, which helps borrowers who have defaulted on high-interest predatory loans refinance into more affordable mortgages

- 6) Federal Housing Finance Reform Act (GSE): (H.R. 1427) Mahoney supported this legislation, which strengthens regulations of Fannie Mae and Freddie Mac and raises their loan limits to increase liquidity in the mortgage market. It also creates a new fund to boost the nation's stock of affordable rental housing

In addition to today's legislation, Congressman Mahoney has authored and supported the following legislative initiatives designed to stabilize the housing market and strengthen the economy, including:

The Homeowners' Defense Act of 2007: Congressman Mahoney authored this innovative piece of legislation to address the growing crisis in the availability and affordability of homeowners insurance.

Section 202 Supportive Housing for the Elderly Act of 2007: Congressman Mahoney authored this legislation to help expand the supply of affordable housing for the elderly.

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