



CONGRESSMAN GARY G. MILLER

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House Passes Miller-Weiner Amendment to the FHA Reform Act

WASHINGTON, DC – Today, the House passed an amendment by voice vote authored by Reps. Gary Miller (R-CA) and Anthony Weiner (D-NY) to the FHA Reform Act in order to address the need for new construction or substantial rehabilitation of multifamily units in extremely high cost areas of the country.

“In our most expensive cities, it is very difficult for some of the community’s workers – including police, firefighters, and teachers – to find affordable rental housing where they work,” said Congressman Miller. “While the FHA multifamily insurance program could help, because of its loan limits, there were only three FHA-insured multifamily loans for high-rise construction or rehabilitation approved across the country in Fiscal Years 2007 and 2008.”

Through a public-private partnership, FHA’s multifamily mortgage insurance programs enable qualified borrowers to obtain financing for a variety of multifamily properties that are affordable to low and moderate-income families. However, property owners are simply unable to provide affordable housing units in high-cost areas because the current statutory limits for FHA mortgage insurance are too low for elevator style buildings. The amendment passed by the House today will increase the multifamily loan limits for high-rise elevator style buildings by up to 50 percent, reflecting the true disparity in construction costs. A recent survey of major lenders shows that there are more than 11,000 units in elevator structures with a mortgage amount of more than \$3 billion that are on hold and, when this legislation is passed, should be able to move forward using the FHA programs.

“The FHA multifamily mortgage insurance program has operated successfully for 75 years and has provided a profit for taxpayers,” added Congressman Miller. “I am pleased the House has passed this important amendment to provide new jobs and housing opportunities across the country.”

This Miller-Weiner amendment includes the same language as H.R. 3527, the Federal Housing Administration (FHA) Multifamily Loan Limit Adjustment Act. H.R. 3527, which was also co-authored by Reps. Miller and Weiner, was passed by the House of Representatives last fall.

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