

United States Senate

WASHINGTON, DC 20510-4705

COMMITTEES:
ENERGY AND NATURAL
RESOURCES
COMMERCE, SCIENCE, AND
TRANSPORTATION
FINANCE
INDIAN AFFAIRS
SMALL BUSINESS

March 16, 2017

The Honorable Ben Carson, Secretary
Department of Housing and Urban Development
451 7th St. SW
Washington, D.C. 20410

Dear Secretary Carson:

I look forward to working with you as you assume leadership of Housing and Urban Development (HUD). HUD is vitally important to Washington state and the nation, and I hope to work together on making housing more affordable for all Americans while leading the fight to end homelessness.

To that end, I am concerned about the decision by the Trump Administration to cancel a planned decrease in mortgage insurance fees charged by the Federal Housing Administration (FHA). This decision will cost first-time homebuyers in Washington state an additional \$500 per year and prevent thousands of families on the road toward attaining the American Dream from purchasing a home altogether.

Home prices in Washington state are rising faster than any other state in the United States. Last week, the *Seattle Times* reported that single family home prices in King County increased at their highest rates since early 2015, and Seattle home prices currently are at an all-time high. Statewide, the median price of a home in Washington state is \$318,000, up 11 percent from last year, and up a staggering 46 percent since 2012. In Seattle, housing prices have nearly doubled in the same time frame, and are continuing to grow faster than any other housing market in the country, and twice as fast as the national average. The median home price in Clark County, which was \$190,000 in 2012, is up nearly 60 percent, to over \$300,000 today. In Eastern Washington, home prices are up over 20 percent in the last four years.

These rapidly growing prices underscore the important role the FHA plays in helping Washingtonians become first time homebuyers. Without the insurance provided by the FHA, many of these credit-worthy families would not be able to afford the large down payments necessary to afford a home in Washington state. In 2016, the FHA helped 30,000 Washington families achieve the American dream.

These homebuyers are exactly the middle and working class Americans that President Trump promised to fight for in his campaign. That is why I was so concerned to see the suspension of a scheduled FHA rate cut that would help these prospective homeowner be the very first executive action taken by this new Administration. This change will result in thousands of homeowners paying more for their mortgage insurance, or possibly not being able to afford a mortgage at all.

EVERETT
2930 WETMORE AVENUE
SUITE 9B
EVERETT, WA 98201
(425) 303-0114
FAX: (425) 303-8351

RICHLAND
825 JADWIN AVENUE
SUITE 204/204A
RICHLAND, WA 99352
(509) 946-8106
FAX: (509) 946-6937

SEATTLE
JACKSON FEDERAL BUILDING
915 2ND AVENUE, SUITE 3206
SEATTLE, WA 98174-1003
(206) 220-6400
TOLL FREE: 1-888-648-7328
FAX: (206) 220-6404

SPOKANE
U.S. FEDERAL COURTHOUSE
WEST 920 RIVERSIDE, SUITE 697
SPOKANE, WA 99201
(509) 353-2507
FAX: (509) 353-2547

TACOMA
950 PACIFIC AVENUE
SUITE 615
TACOMA, WA 98402
(253) 572-2281
FAX: (253) 572-5879

VANCOUVER
MARSHALL HOUSE
1313 OFFICERS' ROW
FIRST FLOOR
VANCOUVER, WA 98661
(360) 696-7838
FAX: (360) 696-7844

WASHINGTON, DC
511 HART SENATE OFFICE BUILDING
WASHINGTON, DC 20510-4705
(202) 224-3441
FAX: (202) 228-0514

During your confirmation hearing before the Senate Banking Committee, you pledged to “really examine” this policy change. Now that you have been confirmed in your position, I would appreciate an update on your views on this matter, as well as other ways we can help homeowners and renters in Washington state and across the country access safe and affordable housing options. I look forward to your timely response.

Sincerely,

A handwritten signature in blue ink that reads "Maria Cantwell". The signature is written in a cursive, flowing style.

MARIA CANTWELL
United States Senator