



June 16, 2010

Dear Representative:

On behalf of the 3,636 member companies of the American Land Title Association (ALTA) which employ close to 100,000 individuals in every county across the country, we urge you to support an extension of the present home-buyer tax credit closing deadline to September 30, 2010. Consumers who have entered into contracts to purchase a principal residence on or before April 30, 2010, and who have complied with all eligibility requirements, should receive the benefits of the homebuyer tax credit.

In order to qualify for the homebuyer tax credit, a buyer must have entered into a binding sales contract on or before April 30, 2010, and the transaction must close no later than June 30, 2010. As that date quickly approaches, it appears that many consumers are at risk of having their transactions not close by June 30, despite the real estate settlement industry's best efforts. The National Association of REALTORS® estimates that between 55,000 and 75,000 prospective buyers may be unable to close by the current deadline due to: inability to secure timely approval from the seller's lender for short sales, recent natural disasters that have damaged the property and/or delays in processing various types of Federal mortgage program applications (such as VA loans, FHA loans and USDA rural housing loans).

Members of ALTA report that in the markets with the highest volume of short sales, it is not uncommon for closing to take up to four months. The two month window afforded by the homebuyer tax credit is simply not long enough for current market conditions in the most severely distressed markets in the country. Many of the pending short sale transactions in the slowest markets may turn into foreclosures if they cannot close by the June 30 deadline.

It would be unfair to consumers who have met the eligibility requirements for the credit and done all within their power to satisfy the timing requirements, only to forfeit the credit because of administrative challenges related to the transaction. Further, these delays in closing are disproportionately affecting the areas hardest hit by the foreclosure crisis. Extending the June 30 closing date will allow these markets opportunities for recovery.

We urge you to support an extension of the present home-buyer tax credit closing deadline to September 30, 2010, for eligible borrowers.

Sincerely,

Mark E. Winter
President