

**TESTIMONY OF GLENN HELLYER
REALTOR®, YORBA LINDA, CA**

**FOR THE HEARING ON
HR 4110, 'THE FHA SINGLE FAMILY LOAN LIMIT
ADJUSTMENT ACT OF 2004'**

**BEFORE THE HOUSING AND COMMUNITY
OPPORTUNITIES SUBCOMMITTEE OF THE FINANCIAL
SERVICES COMMITTEE**

UNITED STATES HOUSE OF REPRESENTATIVES

WASHINGTON D.C.

JUNE 16, 2004

Thank you Chairman Bob Ney, Vice Chairman Mark Green, Ranking Member Maxine Waters, and all the members of the Housing and Community Opportunity Subcommittee for inviting me here today to testify on HR 4110, the FHA Single Family Loan Limit Adjustment Act of 2004. This bill will enable more prospective homebuyers to achieve the American Dream of homeownership.

My name is Glenn Hellyer, and I have been a Realtor® in Orange County California for 25 years. I have represented homebuyers and homeowners throughout Orange County and neighboring counties.

In years past, I have used FHA loans to help first time home buyers, low and moderate income buyers and buyers who could not qualify for conventional loans because high loan to value ratios or high payment to income ratios. FHA loans are no longer a useful product for prospective homebuyers in high cost areas of the country like my area because its maximum loan limits are restrictive. As a result, working families such as teachers, police officers, fire fighters, nurses and others

have been left behind just because of their geographic location. HR 4110 would correct this inequity.

Housing prices in California, Massachusetts, New Jersey, New York, Connecticut and I am sure other states, have experienced tremendous growth over the past few years. Unfortunately, the FHA loan limits have not grown in a manner to mirror the growing cost of home ownership in these areas.

Another burden created by the current loan limits is the forcing of prospect buyers to look for housing far away from employment centers. Those workers who may only qualify under FHA guidelines, and are restricted by the current loan limits we find on our already overburdened roads commuting long distances every morning and evening.

FHA has played an enormous role in helping families realize the dream of home ownership at no cost to taxpayers. However, there are many Americans who are not able to realize this dream. Those who happen to live in communities with high housing cost are not afforded the benefits of FHA simply because of the current loan limits.

HR 4110 would eliminate the current loan limit ceiling and allow FHA limits to rise to the median home price in each locality. Working families who need and qualify for FHA should not be penalized because of their geographic location. HR 4110 would correct this disparity, and make FHA loans available to prospective homeowners nationwide.

Thank you for the opportunity to provide this testimony, I would be happy to answer any questions you may have.