

# The Mortgage Bankers Association of New Jersey



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April 16, 2020

Hon. Tom Wolf, Governor  
508 Main Capitol Building  
Harrisburg, PA 17120

Dear Governor Wolf,

We are writing to you because of our concern that without the ability to provide cash out refinancing to Pennsylvania's citizens, due to your Order, many will suffer serious financial harm and some will be permanently disadvantaged.

We share your concern for the health and safety of Pennsylvania's citizens and support your effort to have all residents observe the COVID-19 guidance and restrictions you have put into effect during this difficult time. Because our members are focused on providing mortgage financing to these same Pennsylvania residents and have seen that many will experience severe hardship as a result of unintended consequences, we wanted to bring the problem and a proposed solution to your attention.

Most of the mortgage loans originated today are sold to Fannie Mae or Freddie Mac (GSE's) and they have released guidance that requires a full appraisal with interior photos in all Cash Out transactions. Cash Out refinances provide the opportunity today for a consumer to pay off credit card debt including interest in the range of 18% - 28% with a mortgage loan with interest of only 3.5%. This and other debt consolidation cannot be achieved due to your order since our Pennsylvania lenders cannot provide the full appraisal with interior photos in a cash out transaction, as indicated.

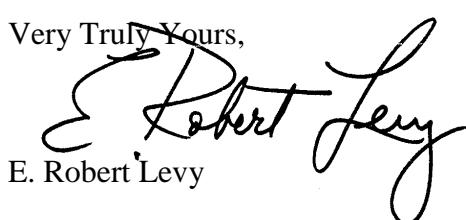
We respectfully suggest that an exemption in the Order be considered for consumers seeking to access their equity due to the ramifications of COVID-19 which we believe can be accomplished while observing the COVID-19 guidance available. In this regard, the following would have to be in place to allow for an interior inspection:

All doors and windows in the property shall be open during the inspection and \_\_\_\_\_ for a short period thereafter.

The inspector should ensure that all protective measures shall be in place including wearing a face mask, appropriate gloves and other coverings. Shoe coverings should be utilized also.

The occupants of the home must vacate the residence during the inspection and not return for a period of at least 1 hour.

Very Truly Yours,



E. Robert Levy