



January 26, 2009

President Barack Obama
The White House
1600 Pennsylvania Avenue, NW
Washington, D.C. 20006

Dear Mr. President,

Congratulations on your historic inauguration. Your swearing-in was a defining moment in American history – a moment when our nation lived up to its creed that all men are created equal. We wish you and Congress well in these challenging times.

You are aware of the troubles we face in our economy, particularly our housing market. New homebuyers have vanished. Housing starts are at their lowest level in a half century. More than 2.3 million homes stand vacant in our communities. The loss of homebuyers is weighing down the broader economy, hurting home good stores, mom and pop shops, builders, construction companies, and local governments, all of whom depend on a stable housing economy for revenue. Economists across the political spectrum agree: the housing market lies at the root of our economic challenges.

So what can we do? To stabilize the housing market, we are proposing common sense solutions that will educate homebuyers and will give credit-ready homebuyers an opportunity for affordable homeownership and incentivize them to enter the market. We hope you will join us.

You stated in December that, *“we need to move past the stale arguments that say low-income Americans shouldn’t even try to own a home.”*

We agree, Mr. President. And we are ready to help. At a time when most are proposing solutions that cost the taxpayer money, we are supporting no cost bipartisan legislation in Congress (H.R. 600) to reauthorize and reform downpayment assistance programs funded in part by sellers, also known as DPA, which expired under federal law last year. DPA funding from qualified non-profits helped more than one million creditworthy families and individuals become homeowners from 1998 to 2008, and generated \$24 billion in economic activity in just a five year period alone, according to a 2007 study by George Mason University’s Center for Regional Analysis. Further, according to a soon to be released study by Dr. Robert Fountain at California State University, DPA was responsible for creating 235,000 jobs over the past decade and during the twelve months preceding the elimination of DPA helped generate \$4.6 billion in local and state tax revenue. These are dollars that state and local economies throughout America have come to rely upon. If this program remains closed, however, more than 300,000 aspiring homeowners – each of whom is deemed creditworthy by the Federal Housing Administration - will be shut out of the home buying process annually and billions of dollars and thousands of jobs will remain out of reach for our local communities. Our economy simply cannot afford this. We respectfully urge you to support H.R. 600, The FHA Downpayment Reform Act.

You stated in your inauguration that we must *“end to the petty grievances and false promises, the recriminations and worn-out dogmas that for far too long have strangled our politics.”*

We agree, Mr. President. And we are ready to help. We hope to join hands with your Administration and Congress to find bipartisan support for the policies that will shape our housing market in the future. The past is the past, some people will remain critics of the DPA program and not move past stale arguments that no longer apply; what matters now is our shared pursuit of a more stable economy based on long-term, sustainable homeownership.

Doing Things right for America’s homebuyers.

You stated in your campaign that we must not repeat “*the cycle of bubble and bust*” that has plagued our economy.

We agree, Mr. President. And we are ready to help. To accomplish such sustainable and responsible homeownership, AmeriDream has educated more than 60,000 potential homebuyers over the last decade and will redouble its education efforts in the coming decade. Studies show that homebuyer education programs lead to more successful homeownership. Further, we believe in FHA’s goal to provide safe, sanitary and affordable housing for low and moderate income families. We believe that if more homebuyers of yesterday chose a FHA insured loan, our country would be better off today. We support a suggestion that you made in 2007 to develop a Home Score system, a system to create a simplified, standardized metric for home mortgage allowing prospective homebuyers to easily compare various mortgage opportunities so that an educated and informed homebuyer can make an educated and informed decision. The more successful our homeowners are, the less likely our economy is to be felled by another housing bubble.

Mr. President, we respectfully ask for your support. We encourage you to back H.R. 600, The FHA Downpayment Reform Act, so that creditworthy working class homebuyers may once again stimulate the housing market. The reauthorization of DPA is supported by the Congressional Black Caucus, the Congressional Hispanic Caucus, the National Association of Realtors, The National Association of Mortgage Brokers, the US Conference of Mayors, the National Association of Home Builders, an affiliate of the AFL-CIO - the Labor Council for Latin American Advancement, the National Association of Counties, many other state and local organizations and hundreds of thousands of other Americans who have voiced their support to their elected officials. We urge you to make homebuyer education a central part of you economic recovery strategy. Finally, we welcome your commitment to make petty grievances in our government a part of our past. Simply put, our country can afford no less.

We look forward to working with your administration as we pick ourselves up, dust ourselves off and get back to making responsible and sustainable homeownership for all a priority.

Best wishes to you, your family, and your Administration in these historic times.

Sincerely,

A handwritten signature in cursive script that reads "Ann Ashburn". The signature is written in black ink and is positioned below the word "Sincerely,".

Ann Ashburn
President

BACKGROUND: AmeriDream, a 501(c)(3) charity, was established in 1999 to provide housing-related programs to low and moderate income individuals and families. Our mission is to permit qualified aspiring homeowners, a disproportionate number of whom are first-time homebuyers, minorities, legal immigrants, women headed households, and single-parents, achieve and sustain homeownership. Most significantly, AmeriDream has provided critical down payment assistance to over 250,000 low and moderate income homebuyers, enabling them to purchase their homes without using any taxpayer dollars. In addition, AmeriDream has educated over 60,000 homebuyers through our homebuyer education course; counseled and assisted approximately 1,200 people to retain their home when confronted with mortgage difficulties; and built 168 affordable housing units in our inner cities, most notably in Southeast Washington, DC. To date, AmeriDream has committed over \$30 million to projects unrelated to its down payment assistance program.