

108TH CONGRESS  
1ST SESSION

# H. R. 3507

To expand homeownership opportunities in States having high housing costs.

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## IN THE HOUSE OF REPRESENTATIVES

NOVEMBER 18, 2003

Mr. SHERMAN (for himself, Mr. ISRAEL, Mr. CROWLEY, Mrs. MCCARTHY of New York, Mr. WEINER, Mr. LYNCH, Mr. GEORGE MILLER of California, Mr. FARR, Ms. MILLENDER-McDONALD, Ms. WOOLSEY, Mrs. CAPPS, Mrs. DAVIS of California, Ms. LOFGREN, Ms. PELOSI, Mr. MATSUI, Mr. SCHIFF, Ms. LEE, Mr. BERMAN, Mr. HONDA, Mr. LANTOS, and Ms. HARMAN) introduced the following bill; which was referred to the Committee on Financial Services

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## A BILL

To expand homeownership opportunities in States having high housing costs.

1 *Be it enacted by the Senate and House of Representa-*  
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “Improving Home-  
5 ownership Opportunities in High-Cost States Act”.

1 **SEC. 2. CONFORMING LOAN LIMIT FOR HIGH-COST AREAS.**

2 (a) FANNIE MAE.—Section 302(b)(2) of the Federal  
3 National Mortgage Association Charter Act (12 U.S.C.  
4 171(b)(2)) is amended—

5 (1) by inserting “(A)” after the paragraph des-  
6 ignation;

7 (2) by inserting before the period at the end the  
8 following: “and with respect to properties located in  
9 any State containing any high-cost metropolitan sta-  
10 tistical area (or portion thereof)”; and

11 (3) by adding at the end the following new sub-  
12 paragraph:

13 “(B) For purposes of this paragraph, a metropolitan  
14 statistical area is a high-cost metropolitan statistical area  
15 for a calendar year and the successive calendar year only  
16 if any of applicable quarterly average one-family home  
17 prices for such area exceeds the dollar amount limitation  
18 otherwise applicable under subparagraph (A) for such cal-  
19 endar year for a single-family residence.

20 “(C) For purposes of this paragraph, the applicable  
21 quarterly average one-family home prices for a metropoli-  
22 tan statistical area for a calendar year are the 4 quarterly  
23 average one-family home prices, as follows:

24 “(i) The average one-family house price for  
25 such area for the third quarter of the preceding cal-  
26 endar year, as determined based on the average one-

1 family house price in the monthly survey of all major  
2 lenders conducted by the Federal Housing Finance  
3 Board.

4 “(ii) The average one-family house price for  
5 such area for each of the three calendar quarters  
6 preceding the quarter specified in clause (i), as de-  
7 termined in the manner provided in clause (i).”.

8 (b) FREDDIE MAC.—Paragraph (2) of section 305(a)  
9 of the Federal Home Loan Mortgage Corporation Act (12  
10 U.S.C. 1454(a)(2)) is amended—

11 (1) by inserting “(A)” after the paragraph des-  
12 ignation;

13 (2) by inserting before the period at the end the  
14 following: “and with respect to properties located in  
15 any State containing any high-cost metropolitan sta-  
16 tistical area (or portion thereof)”; and

17 (3) by adding at the end the following new sub-  
18 paragraph:

19 “(B) For purposes of this paragraph, a metropolitan  
20 statistical area is a high-cost metropolitan statistical area  
21 for a calendar year and the successive calendar year only  
22 if any of applicable quarterly average one-family home  
23 prices for such area exceeds the dollar amount limitation  
24 otherwise applicable under subparagraph (A) for such cal-  
25 endar year for a single-family residence.

1       “(C) For purposes of this paragraph, the applicable  
2 quarterly average one-family home prices for a metropoli-  
3 tan statistical area for a calendar year are the 4 quarterly  
4 average one-family home prices, as follows:

5           “(i) The average one-family house price for  
6 such area for the third quarter of the preceding cal-  
7 endar year, as determined based on the average one-  
8 family house price in the monthly survey of all major  
9 lenders conducted by the Federal Housing Finance  
10 Board.

11           “(ii) The average one-family house price for  
12 such area for each of the three calendar quarters  
13 preceding the quarter specified in clause (i), as de-  
14 termined in the manner provided in clause (i).”.

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