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WASHINGTON — An effort to create a short-term extension of regulations seeking to allow the maximum size of loans that can be guaranteed by Fannie Mae and Freddie Mac to remain at the current level of \$729,750 is expected to fail, for now, a legislative aide said Thursday.

“We are disappointed,” said Christopher Bognanno, spokesman for **Rep. John Campbell**, who’s a Republican from California and a key sponsor of the measure.

Without action by Congress, the limit on loans that Fannie and Freddie can guarantee will drop back to a maximum of \$625,500 effective Oct. 1. Bognanno said that he expects the guarantee level to drop down to the lower level on Oct. 1, and that there will be some negative consequences to the mortgage market in that upper price range as a result.

Campbell and a few dozen other lawmakers had been seeking to attach a provision keeping the guarantees in place to a temporary funding measure, known as a continuing resolution, to keep the government running when fiscal 2012 begins come October.

“It will be a clean continuing resolution to our knowledge, and from what we’re seeing there doesn’t look to be opportunity to amend it. We don’t expect the [guarantee] amendment to be in there in the final version of it,” according to the spokesman.

Bognanno said **Campbell** and other lawmakers are hoping that as a result of the potentially negative consequences, they will have support to restore the guarantees as a provision that can be attached to an omnibus spending bill that will be considered in November or December.