

September 5, 2017

Mr. Alfred M. Pollard  
General Counsel  
Federal Housing Finance Agency  
400 Seventh Street SW  
Washington, DC 20219

Re: 2018 - 2020 Enterprise Housing Goals; RIN 2590-AA81

Dear Mr. Pollard:

On behalf of America's credit unions, I am writing regarding the Federal Housing Finance Agency's (FHFA) request for comments on its proposed 2018 - 2020 Enterprise Housing Goals. The Credit Union National Association (CUNA) represents America's credit unions and their 110 million members.

### **Proposed 2018 - 2020 Enterprise Housing Goals**

The safety and soundness of Fannie Mae and Freddie Mac (the Enterprises) is very important to credit unions, and should remain a top mission of the FHFA in overseeing the operation of the Enterprises. The FHFA has a statutory duty to ensure the Enterprises carry out their housing finance and community-lending missions in a way that will allow them to remain adequately capitalized and be able to raise funds in the capital markets. CUNA supports efforts to implement strong risk management at all of the entities that FHFA regulates. In particular, the Safety and Soundness Act requires FHFA to consider several factors in setting the single-family housing goals. We urge the FHFA to monitor the last factor closely, which requires the need to maintain the sound financial condition of the Enterprises. A broad interpretation of this factor by the FHFA should be used to ensure that none of the housing goals cause financial instability to the Enterprises.

At the same time, we encourage the FHFA to continue to work to find the right balance between safety and soundness on the one hand, and credit availability for American consumers on the other. Since the financial crisis, mortgage credit has become less available for many Americans as underwriting standards have increased.

In addition, it is important to credit unions that the federal government's regulations ensure lenders of all types and sizes, including credit unions, have access to liquidity on terms that are equitable. This means that terms, rates, or conditions for selling loans in the secondary market or accessing liquidity from the Federal Home Loan Banks must be affordable and fair to all lenders, regardless of their size or charter type. CUNA believes FHFA should continue to work with lenders, including credit unions, to improve and promote the housing market. Having a housing finance market that provides liquidity

throughout the country requires strong participation by a wide range of lenders, including small lenders and lenders serving rural areas. Qualified financial institutions and creditworthy eligible borrowers should have fair and equitable access to the financial services offered by the Enterprises.

With regard to the 2018 - 2020 Enterprise Housing Goals, we recognize that the FHFA's objective is to set the benchmarks to their market projections, not to actually influence the market. Accordingly, we support the proposed benchmarks for single family purchases, which will remain essentially the same as prior years.

### **Conclusion**

On behalf of America's credit unions and their 110 million members, thank you for the opportunity to share our views regarding the proposed 2018 - 2020 Enterprise Housing Goals. If you have questions about our comments, please do not hesitate to contact me at (202) 508-6743.

Sincerely,

A handwritten signature in cursive script that reads "Luke Martone".

Luke Martone  
Senior Director of Advocacy & Counsel