

October 09, 2020

Alfred M. Pollard, Esq.
General Counsel
Federal Housing Finance Agency
Eighth Floor
Washington DC 20024

Re: RIN-2590-AB04 – Proposed Rule on 2021 Enterprise Affordable Housing Goals

Dear Mr. Pollard:

Fannie Mae is grateful for the opportunity to submit comments on the Federal Housing Finance Agency (“FHFA”) Proposed Rule on Enterprise Housing Goals for 2021 (the “Proposed Rule”).

Fannie Mae was established in 1938 to provide stability and liquidity to the residential mortgage industry in order to promote homeownership. Beginning in 1992, Congress put in place Housing Goals in recognition of the affirmative obligation of Fannie Mae “to facilitate the financing of affordable housing for low- and moderate-income families in a manner consistent with their overall public purposes, while maintaining a strong financial condition and a reasonable economic return.”¹

The COVID-19 pandemic has had a sudden and profound impact upon the nation’s housing markets. Unemployment rates increased markedly and consumer expenditures dropped precipitously as the nation swiftly moved into recession. It remains uncertain as to how long the pandemic will last and how long the economic impacts of the pandemic will be felt.

In light of these unprecedented developments, we applaud the decision of the FHFA not to propose a new three-year Housing Goals rule at this time, but to extend the current Housing Goals through 2021. We believe that it is most prudent at this time to continue to meet the current Housing Goals requirements, as set forth in the Proposed Rule, rather than take on a new set of requirements. We hope that the impact of COVID-19 will have subsided at some point in 2021, at which time FHFA will be able to consider a new three-year plan in light of market conditions at that time.

We further recognize that it is impossible to predict when the pandemic and the complications arising therefrom will come to an end. The final terms of FHFA’s proposed Capital Requirements Rule for GSEs as well as continuing market or economic conditions as a result of COVID-19 may impact our ability to meet the Housing Goals. Accordingly, we appreciate that FHFA will continue carefully to monitor market conditions and make adjustments as it deems appropriate over the next twelve months and into the future as a result of COVID-19.

Fannie Mae appreciates the opportunity to comment on the Proposed Rule. If you have any questions or require additional information, please contact the undersigned at 202-274-8660 or at jeffery_hayward@fanniemae.com.

Sincerely,



Jeffery R. Hayward
Executive Vice President and Chief Administrative Officer

¹ 12 U.S.C. 4561(a)