



FOR IMMEDIATE RELEASE

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**New Coalition of Leading Affordable Housing Advocates
Jointly Appeal for Meaningful GSE Duty-to-Serve Plans**

WASHINGTON, DC—In the face of a mounting housing affordability crisis exacerbated by the COVID-19 pandemic, twenty leading affordable housing organizations today urged the Federal Housing Finance Agency (FHFA) to require Fannie Mae and Freddie Mac (collectively “Enterprises”) to substantially improve their Duty to Serve proposals before the regulator approves them.

The Duty to Serve regulation requires Fannie Mae and Freddie Mac to facilitate housing opportunities in three areas: manufactured housing, affordable housing preservation, and rural housing. In May, under the prior FHFA Director, the Enterprises submitted mandatory three-year plans for how they will comply.

“Amid a housing affordability crisis that requires bold and aggressive action, Fannie Mae and Freddie Mac have set forth plans that fail to effectively reach those not served or not served well by the conventional mortgage market” the organizations, united as the new Underserved Mortgage Markets Coalition, [wrote yesterday in a letter](#) to FHFA Acting Director Sandra L. Thompson.

The coalition urges FHFA to make regulatory changes to enable Duty to Serve to function as intended by providing Fannie Mae and Freddie Mac with the flexibility to reach underserved mortgage markets more effectively.

In addition, the coalition supports FHFA’s new initiative requiring Fannie Mae and Freddie Mac to create plans to reduce racial or ethnic homeownership gaps and reinvest in formerly redlined neighborhoods.

“Solving our housing affordability crisis requires multiple actions by all levels of government and the private sector, and an invigorated role for Fannie Mae and Freddie Mac is one of them,” said George W. “Mac” McCarthy, president of the Lincoln Institute of Land Policy, convener of the coalition. “The Underserved Mortgage Markets Coalition seeks to hold Fannie Mae and Freddie Mac accountable and uphold their founding purpose: to bring housing finance opportunities to American families not traditionally served by the private market.”

Along with advocating for stronger plans and regulations, the coalition will use a new tracking tool to closely monitor the performance of Fannie Mae and Freddie Mac related to Duty to Serve and racial equity. The coalition is also conducting in-depth research to compare the performance of Fannie Mae and Freddie Mac to the broader U.S. mortgage market, which will make it easier for outside experts and advocates to assess the extent to which they are serving their public mission and to inform policy makers going forward.

“The coalition seeks to work constructively with the FHFA, Fannie Mae and Freddie Mac to meet the urgent needs of millions of Americans who are locked out of the opportunities that come with safe, stable, and affordable housing,” said Dr. Akilah Watkins, president and CEO of the Center for Community Progress, a member of the coalition.

The members of the Underserved Mortgage Markets Coalition include:

- Center for Community Progress
- cdc
- Enterprise Community Partners
- Fahe
- Grounded Solutions Network
- Housing Assistance Council
- Housing Partnership Network
- Lincoln Institute of Land Policy
- Local Initiatives Support Corporation
- National Council of State Housing Agencies
- National Community Stabilization Trust
- National Housing Conference
- National Housing Trust
- NeighborWorks America
- Next Step
- Novogradac
- Opportunity Finance Network
- Prosperity Now
- RMI
- ROC USA

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