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United States Senate

COMMITTEES
ARMED SERVICES

AGRICULTURE, NUTRITION,
AND FORESTRY

HEALTH, EDUCATION,
LABOR, AND PENSIONS

VETERANS' AFFAIRS

November 7, 2022

The Honorable Sandra L. Thompson
Director
Federal Housing Finance Agency
400 7th Street, SW
Washington, DC 20219

Director Thompson,

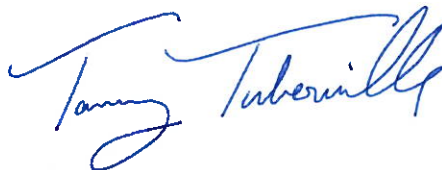
One of the core missions of the Federal Housing Finance Agency is the promotion of affordable home ownership. As the primary regulator of Fannie Mae, Freddie Mac, and the Federal Home Loan Bank system, you have been charged by Congress with ensuring responsible access to mortgage credit.

Millions of American families have built wealth through the purchase of a home, and home ownership is considered by many to be a key indicator of achieving the American Dream. Unfortunately for millions of families across our nation, the dream of home ownership is slipping away as mortgage rates rise to levels that have not been seen in over two decades. As of this writing, the national average interest rate on a 30-year fixed-rate mortgage has soared past 7 percent. This high rate, coupled with closing costs, and a dramatic surge in home prices driven by historically high levels of inflation, is pricing many Americans out of the housing market.

The Federal Reserve's decision to raise interest rates is necessary to address the inflation crisis facing our nation, but one of the negative effects of this policy has been a sharp slowdown in the home mortgage market. To ease the pain facing credit-worthy borrowers seeking to purchase a home, I encourage you to take all steps within your power as the regulator and conservator of Fannie Mae and Freddie Mac (the Enterprises), provided that those steps are consistent with your mandate to promote safety and soundness in the housing finance market, to encourage the Enterprises to reduce fees and streamline internal processes that could lead to cost savings for homebuyers.

Swift action is needed to ease the pain of Americans seeking to purchase a home and to provide stability in the mortgage market.

Sincerely,



Tommy Tuberville
United States Senator