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Media Contacts:
Robert Schwartz 202-207-3665
rschwartz@prismpublicaffairs.com
Michael Timberlake 202-207-3637
mtimberlake@prismpublicaffairs.com

USMI Submits FHFA Strategic Plan Comment Letter

Highlights How MI Can Help Advance Housing Finance Goals

USMI today submitted its response to the Federal Housing Finance Agency (FHFA) request for input regarding its strategic plan for fiscal years 2015 through 2019. USMI believes that FHFA's Plan should further take into account mortgage insurance's ("MI") role as a reliable source of credit enhancement that can help advance and support the strategic goals of the Plan to ensure liquidity, stability, and access in housing, benefitting taxpayers, borrowers, and lenders.

FHFA regulates the government sponsored housing finance enterprises, Fannie Mae and Freddie Mac (GSEs). The FHFA Plan identifies three strategic goals for the GSEs: (1) ensuring safe and sound regulated entities; (2) ensuring liquidity, stability, and access in housing finance; and (3) managing the GSEs' ongoing conservatorships.

USMI highlighted a number of specific ways that MI can help advance and support FHFA's strategic goals, including:

- Because of the many risk-reducing benefits of MI to protect taxpayers against losses, FHFA should expand and deepen MI's use on a wider range of GSE loans to help meet the FHFA goal of Ensuring Safe and Sound Regulated Entities.
- FHFA should fully recognize MI when calculating [GSE guarantee fees \(g-fees\)](#) to avoid double charging consumers and to help meet the FHFA goal of Ensuring Liquidity, Stability, and Access in Housing Finance.
- In further support of this goal, the GSEs should restore widespread access to a prudently underwritten 97 percent LTV fixed-rate mortgage to further promote responsible access to credit for creditworthy borrowers

The full USMI comment letter is available [here](#).

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About USMI

U.S. Mortgage Insurers (USMI) is dedicated to a housing finance system backed by private capital that enables access to housing finance for borrowers while protecting taxpayers.

Mortgage insurance (MI) offers an effective way to make mortgage credit available to more people. USMI is ready to help build the future of homeownership.
