September 23, 2026

The Honorable Scott Bessent
Secretary, Department of the Treasury
1500 Pennsylvania Avenue NW
Washington DC 20220

The Honorable William Pulte
Director, Federal Housing Finance
400 7th Street SW
Washington DC 20219

Secretary Bessent and Director Pulte:

The Community Home Lenders of America (CHLA)[1] is writing to commend Director Pulte for his recent comments that Fannie Mae and Freddie Mac *"are beginning to buy even more, large quantities, as we speak"* of their Mortgage-Backed Securities (MBS).

CHLA believes your efforts to responsibly use the tools Fannie Mae and Freddie Mac have to purchase MBS are making a real difference in having mortgage rates be lower than they otherwise would have been without such actions.

CHLA also writes to suggest once again that consideration be given to Fannie and Freddie purchasing Ginnie Mae MBS, as this would be targeted towards helping first-time homebuyers.

As you know, in January the President announced that Fannie Mae and Freddie Mac would be empowered to lower mortgages rates by buying up to $200 billion of mortgage-backed securities (MBS), which would reduce the 30/10 spread and allow more American families to afford their homes.

Specifically, the Administration's announcement implied both GSEs could expand their retained portfolios with more MBS purchases up to $225 billion (each) to make mortgages more affordable. This 30/10 spread, which has been elevated since 2022 due to a lack of a backstop bid by major investors, did decline from roughly 220 basis points last summer to 200 basis points in early 2026. And while the spread did drop below 190 basis points a couple times earlier this year, it now stands at 219 basis points.

Looking at the Fannie Mae and Freddie Mac monthly summaries, it appears that Fannie Mae has answered the call, with MBS purchases rising from $71.5 billion year end 2025 to $100 billion on July 31, 2026 (a 40% increase). In contrast, Freddie Mac has sat on the sidelines, with its

[1] CHLA is the only national trade association that exclusively represents non-bank mortgage lender/servicers (also known as independent mortgage banks or IMBs).

MBS purchases at $44.6 billion year-end 2025 rising to $55.6 billion on Feb 28, 2026--but with no change since through the end of July 2026. Why hasn't this organization answered your call?

Our sense is that by "getting Freddie Mac into the game," we could further reduce spreads by 10 to 12 basis points, a material improvement in today's mortgage markets. We also note that neither GSE is approaching its overall retained portfolio $225 billion limit, as Freddie Mac is at $137.2 billion and Fannie Mae is at $173.35 billion. Both GSEs can do more here. (In their July monthly summaries, it appears that the GSEs have declared "Mission Accomplished.")

In addition, we want to note that recent market commentary has claimed the purchase of Ginnie Mae MBS by the GSEs would not reduce mortgage rates to first time buyers, rural families, veterans, and active-duty personnel. Some analysts commenting on this topic are merely lobbyists by a different name, representing clients benefitting from too-high spreads between mortgages and the 10-year Treasury note. Our view is that the signaling alone here would bring rates down for these families by roughly 20 basis points, which would make a material difference for them. The GSEs are authorized to buy Ginnie Mae MBS, and they should do so.

Our lenders specialize in first-time homebuyer families, and we are ready to help more families secure their futures. But we can't do it alone and ask for your assistance in making sure the GSEs follow through on your important January announcement, and that we continue to do all we can to help Americans here.

Thank you for consideration of these comments/recommendations.

Sincerely

COMMUNITY HOME LENDERS OF AMERICA