**Immigration and Customs Enforcement (ICE)**

Additional contact information for questions: Phone: 866–633–1182, Fax: 202–732–4265, or Email: *ice-foia@ice.dhs.gov.*

**Office of Inspector General**

Additional contact information for questions: Phone: 202–981–6100, or Email: *foia.oig@oig.dhs.gov.*

**Transportation Security Administration (TSA)**

Additional contact information for questions: Phone: 1–866–FOIA–TSA or 571–227–2300, or Email: *foia@tsa.dhs.gov.*

**U.S. Citizenship and Immigration Services (USCIS)**

Additional contact information for questions: Phone: 1–800–375–5283, USCIS Contact Center, or Email: *FOIAPAQuestions@uscis.dhs.gov.*

**U.S. Coast Guard (USCG)**

Additional contact information for questions: Phone: 202–475–3522, Fax: 202–372–8413, or Email: *efoia@uscg.mil.*

**U.S. Secret Service (USSS)**

Additional contact information for questions: Phone: 202–406–6370, Fax: 202–406–5586, or Email: *FOIA@usss.dhs.gov.*

**Roman Jankowki,**

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## FEDERAL HOUSING FINANCE AGENCY

### 12 CFR Parts 1209, 1281, and 1282

**RIN 2590–AB59**

## 2026–2028 Enterprise Housing Goals

**AGENCY:** Federal Housing Finance Agency.

**ACTION:** Final rule.

**SUMMARY:** The Federal Housing Finance Agency (FHFA) is issuing a final rule on the housing goals for Fannie Mae and Freddie Mac (the Enterprises) for 2026 through 2028 as required by the Federal Housing Enterprises Financial Safety and Soundness Act of 1992. The rule establishes benchmark levels for the housing goals for 2026 through 2028. The rule replaces the two area-based subgoals with one low-income areas subgoal, simplifies the goal determination process, clarifies inflation adjustments to maximum civil money penalties related to housing goals, and makes other technical changes.

**DATES:** This final rule is effective February 23, 2026.

**FOR FURTHER INFORMATION CONTACT:** For general questions, please contact *MediaInquiries@FHFA.gov.* For technical questions, please contact Leda Bloomfield, Senior Associate Director, Office of Affordable Housing and Community Investment, Division of Housing Mission and Goals, 202–649–3415, *Leda.Bloomfield@fhfa.gov;* Siobhan Kelly, Senior Associate Director, Office of Single and Multifamily Policy, Division of Housing Mission and Goals, 202–649–3142, *Siobhan.Kelly@fhfa.gov;* or Kevin Sheehan, Associate General Counsel, Office of General Counsel, 202–649–3086, *Kevin.Sheehan@fhfa.gov.* These are not toll-free numbers. The mailing address is: Federal Housing Finance Agency, 400 Seventh Street SW, Washington, DC 20219. For TTY/TRS users with hearing and speech disabilities, dial 711 and ask to be connected to any of the contact numbers above.

**SUPPLEMENTARY INFORMATION:**

## I. Background

### *A. Statutory and Regulatory Background for Enterprise Housing Goals*

The Federal Housing Enterprises Financial Safety and Soundness Act of 1992 (Safety and Soundness Act) requires FHFA to establish several annual housing goals for both single-family and multifamily mortgages purchased by the Enterprises.[1] The annual housing goals are one measure of the extent to which the Enterprises are meeting their public purposes as defined by statute, which include ''an affirmative obligation 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.''[2]

FHFA establishes annual housing goals for Enterprise purchases of single-family and multifamily mortgages consistent with the requirements of the Safety and Soundness Act. The structure of the housing goals and the parameters for determining how mortgage purchases are counted or not counted towards the goals are defined in FHFA's Enterprise housing goals regulation.[3] This final rule establishes benchmark levels for the single-family and multifamily housing goals for 2026–2028.

*Single-family housing goals.* The single-family housing goals defined under the Safety and Soundness Act include separate categories for home purchase mortgages for low-income families, very low-income families, and families that reside in low-income areas.[4] For purposes of the single-family housing goals, families that reside in low-income areas[5] include: (1) families in low-income census tracts, defined as census tracts with median income less than or equal to 80 percent of area median income (AMI);[6] (2) families with incomes less than or equal to 100 percent of AMI who reside in minority census tracts (defined as census tracts with a minority population of at least 30 percent and a tract median income of less than 100 percent of AMI);[7] and (3) families with incomes less than or equal to 100 percent of AMI who reside in designated disaster areas.[8] The current Enterprise housing goals regulation also includes subgoals[9] within the low-income areas home purchase goal.[10] Performance on the single-family home purchase goals and subgoals is measured as the percentage of the total home purchase mortgages purchased by an Enterprise each year that qualify for each goal or subgoal. There is also a separate goal for single-family refinance mortgages for low-income families, and performance on the refinance goal is determined in a similar way.

Under the Safety and Soundness Act, the single-family housing goals are limited to mortgages on owner-occupied housing with one to four units. The single-family goals cover first lien, conventional, conforming mortgages, meaning mortgages that are not subordinate to other mortgage liens, that are not insured or guaranteed by the Federal Housing Administration or another government agency, and that have principal balances that do not exceed the conforming loan limits for Enterprise mortgages.

*Multifamily housing goals.* The multifamily housing goals defined under the Safety and Soundness Act

[1] 12 U.S.C. 4561(a).

[2] 12 U.S.C. 4501(7).

[3] 12 CFR part 1282.

[4] 12 U.S.C. 4562(a)(1). To distinguish the goals and subgoals related to home purchase mortgages from the goal related to refinance mortgages, this preamble refers to the ''low-income home purchase goal'' and the ''very low-income home purchase goal'' to refer to the low-income families housing goal and the very low-income families housing goal, respectively, described in 12 CFR 1282.12(c) and (d).

[5] *See* 12 U.S.C. 4502(28); 12 CFR 1282.1 (definition of ''families in low-income areas'').

[6] 12 CFR 1282.1 (par. (i) of definition of ''families in low-income areas'').

[7] 12 U.S.C. 4502(29); 12 CFR 1282.1 (par. (ii) of definition of ''families in low-income areas'' and definition of ''minority census tract'').

[8] 12 U.S.C. 4502(28); 12 CFR 1282.1 (definition of ''designated disaster area'' and par. (iii) of definition of ''families in low-income areas'').

[9] For brevity, sometimes this preamble uses the term ''goals'' to refer to goals and subgoals.

[10] 12 CFR 1282.12(f).

include separate categories for mortgages on multifamily properties (properties with five or more units) with rental units affordable to low-income and very low-income families. The Safety and Soundness Act also requires reporting on smaller properties.[11] The multifamily housing goals generally include all Enterprise multifamily mortgage purchases, regardless of the purpose of the loan. The multifamily housing goals evaluate the performance of the Enterprises based on the share of affordable units in properties that serve as collateral for mortgages purchased by an Enterprise (loans that are excluded as ineligible under 12 CFR 1282.16(b) are not counted for purposes of measuring Enterprise performance). The Enterprise housing goals regulation does not include a retrospective market level measure for the multifamily housing goals, due in part to a lack of comprehensive data about the multifamily market. As a result, FHFA measures Enterprise multifamily housing goals performance against the benchmark levels only and the final rule retains this approach.

The Safety and Soundness Act requires that affordability for rental units under the multifamily housing goals be determined based on rents that ''[do] not exceed 30 percent of the maximum income level of such income category, with appropriate adjustments for unit size as measured by the number of bedrooms.'' [12] The Enterprise housing goals regulation considers the net rent paid by the renter, *i.e.,* the rent is decreased by any subsidy payments that the renter may receive, including housing assistance payments.[13]

*B. Considerations After Publication of the Final Rule*

If, after publication of this final rule, new information indicates that any of the single-family or multifamily housing goals or subgoals should be adjusted in light of market conditions or the safety and soundness of the Enterprises, or for any other reason, FHFA may take any steps that are necessary and appropriate to respond, consistent with the Safety and Soundness Act and the Enterprise housing goals regulation.

For example, under the Safety and Soundness Act and the Enterprise housing goals regulation, FHFA is permitted to reduce a benchmark level in response to an Enterprise petition for reduction for any of the single-family or multifamily housing goals or subgoals in a particular year. Any adjustment in response to such a petition must be based on a determination by FHFA that: (1) market and economic conditions or the financial condition of the Enterprise require a reduction; or (2) efforts to meet the goal or subgoal would result in the constraint of liquidity, over-investment in certain market segments, or other consequences contrary to the intent of the Safety and Soundness Act or the purposes of the Enterprises' charter acts.[14] The Safety and Soundness Act and the Enterprise housing goals regulation also consider the possibility that achievement of a particular housing goal or subgoal may or may not have been feasible for an Enterprise. If FHFA determines that a housing goal or subgoal was not feasible for an Enterprise to achieve, then the statute and regulation do not require any further action related to that housing goal or subgoal for that year.[15] If FHFA determines that an Enterprise did not meet a housing goal or subgoal and that achievement of the housing goal or subgoal was feasible, then the statute and regulation provide FHFA with discretionary authority to require the Enterprise to submit a housing plan describing the specific actions the Enterprise will take to improve its housing goals performance.[16]

## II. Summary of Final Rule

*A. Benchmark Levels for the Single-Family Housing Goals and Subgoal*

This final rule establishes the benchmark levels for the single-family housing goals for 2026–2028 as follows:

| Goal or subgoal | Criteria | Current benchmark level for 2025–2027 (percent) | Final benchmark level for 2026–2028 (percent) |
|---|---|---|---|
| Low-Income Home Purchase Goal (LIP). | Home purchase mortgages on single-family, owner-occupied properties, to borrowers with incomes no greater than 80 percent of area median income (AMI). | 25.0 | 21.0 |
| Very Low-Income Home Purchase Goal (VLIP). | Home purchase mortgages on single-family, owner-occupied properties, to borrowers with incomes no greater than 50 percent of AMI. | 6.0 | 3.5 |
| Low-Income Refinance Goal (LIR) .. | Refinance mortgages on single-family, owner-occupied properties, to borrowers with incomes no greater than 80 percent of AMI. | 26.0 | 21.0 |
| Low-Income Areas Home Purchase Subgoal (LIA). | Home purchase mortgages on single-family, owner-occupied properties with:<br>• Borrowers in census tracts with tract median income of no greater than 80 percent of area median income; or<br>• Borrowers with income no greater than 100 percent of area median income in census tracts where (i) tract income is less than 100 percent of area median income, and (ii) minorities comprise at least 30 percent of the tract population. | N/A | 16.0 |

The final rule combines the current low-income census tracts home purchase subgoal and the minority census tracts home purchase subgoal into a single low-income areas home purchase subgoal. The benchmark level for the low-income areas home purchase goal is the sum of the benchmark levels for the low-income areas home purchase subgoal, plus an additional amount that will be determined separately by FHFA that takes into account families in disaster areas with incomes no greater than 100 percent of AMI.[17] The low-income areas home purchase goal is

[11] 12 U.S.C. 4563(a)(3).

[12] *See* 12 U.S.C. 4563(c).

[13] *See* 12 CFR 1282.1 (par. (i)(B) of definition of ''rent'').

[14] *See* 12 U.S.C. 4564(b); 12 CFR 1282.14(d).

[15] *See* 12 U.S.C. 4566(b); 12 CFR 1282.21(a) (current regulation); 12 CFR 1282.22(a) (final rule).

[16] *See* 12 U.S.C. 4566(c); 12 CFR 1282.21(a) (current regulation); 12 CFR 1282.22(a) (final rule).

[17] *See* 12 CFR 1282.12(e). The low-income areas home purchase goal benchmark level for 2025 is 21 percent.

published annually on FHFA's website.[18]

To simplify the structure of the Enterprise housing goals regulation, FHFA is removing the temporary measurement buffers for the housing goals that the Agency previously established for 2025–2027. The measurement buffers were established to encourage the Enterprises to focus on achieving certain single-family housing goals by meeting the market level, if the benchmark level turns out to be higher than the market level. These measurement buffers partly addressed the uncertainty in forecasting the market several years in advance as well as the time lag in determining the actual market level retrospectively. Since the 2026–2028 benchmarks are set below the forecasted marketed level, FHFA expects that the Enterprises will be able to calibrate their mortgage purchase strategies to anticipate small fluctuations in market uncertainty, making it unnecessary to maintain an additional regulatory buffer. This accomplishes the original intent of the measurement buffers, rendering the buffers duplicative and unnecessary.

*B. Benchmark Levels for the Multifamily Housing Goals and Subgoal*

The final rule establishes the benchmark levels for the multifamily housing goals and subgoal for 2026–2028 as follows:

| Goal and subgoal | Criteria | Current benchmark level for 2025–2027 (percent) | Final benchmark level for 2026–2028 (percent) |
|---|---|---|---|
| Low-Income Goal | Percentage share of all goal-eligible units in multifamily properties financed by mortgages purchased by the Enterprises in the year that are affordable to low-income families, defined as families with incomes less than or equal to 80 percent of AMI. | 61.0 | 61.0 |
| Very Low-Income Goal | Percentage share of all goal-eligible units in multifamily properties financed by mortgages purchased by the Enterprises in the year that are affordable to very low-income families, defined as families with incomes less than or equal to 50 percent of AMI. | 14.0 | 14.0 |
| Small Multifamily Low-Income Subgoal. | Percentage share of all goal-eligible units in all multifamily properties financed by mortgages purchased by the Enterprises in the year that are units in small multifamily properties affordable to low-income families, defined as families with incomes less than or equal to 80 percent of AMI. | 2.0 | 2.0 |

*C. Required Adjustments to Maximum Civil Money Penalty Amounts*

The Federal Civil Penalties Inflation Adjustment Act Improvements Act of 2015[19] (Adjustment Improvements Act) requires FHFA to adjust the level of civil monetary penalties for inflation (including an initial catch-up adjustment and annual adjustments thereafter). The final rule makes explicit that the required inflation adjustments apply to civil money penalties described in section 1345 of the Safety and Soundness Act (12 U.S.C. 4585), including penalties applicable to the Enterprise and Federal Home Loan Bank housing goals.

*D. Notice of Preliminary Determination of Compliance With Housing Goals*

To streamline the housing goal compliance determination processes, this final rule requires the Director to provide written notice to an Enterprise of a preliminary determination only if an Enterprise has failed to meet a housing goal or subgoal.

*E. Technical Changes*

The final rule also makes technical changes to the names of the single-family housing goals to distinguish between goals related to home purchase mortgages and the goal related to refinance mortgages.

**III. Overview of Comments**

On October 2, 2025, FHFA published a notice of proposed rulemaking (proposed rule) in the **Federal Register** (90 FR 47632) proposing single-family and multifamily housing goals for 2026–2028. Public comments were accepted between October 2nd and November 3rd, 2025.

FHFA received 19 comments in response to the proposed rule, which are published on FHFA's website.[20] Of these, 18 include substantial comments about the topics in the proposed rule. The comments submitted include letters from four individuals, six nonprofit policy advocacy groups, and nine trade associations. Six comment letters were signed by coalitions of organizations.

Five comments were in favor of the proposed rule, nine were not in favor, and four comments expressed mixed support. Three trade associations and two individuals generally supported the rule due to its anticipated benefits for middle-income borrowers and low-income renters, as well as its potential to reduce market distortions and regulatory burdens. Policy advocacy groups and one trade group generally opposed the rule because they believe it would reduce support for low- to moderate-income borrowers. Four trade groups supported parts of the proposed rule, such as the multifamily benchmarks, but opposed different parts of the single-family benchmarks. Several comments related to topics outside of the scope of rulemaking including recommendations for manufactured housing policy activity and legislative proposals to address housing affordability. Comments received and FHFA's responses are summarized by topic below.

[18] *See* Housing Goal Annual Housing Activity Reports and Determinations for each Enterprise at *https://www.fhfa.gov/programs/affordable-housing/enterprise-housing-goals.*

[19] Federal Civil Penalties Inflation Adjustment Act Improvements Act of 2015, Public Law 114–74, title VII, sec. 701, 129 Stat. 599 (28 U.S.C. 2461 note) (2015), *available at https://www.govinfo.gov/content/pkg/PLAW-114publ74/pdf/PLAW-114publ74.pdf.*

[20] *Available at https://www.fhfa.gov/regulation/federal-register/proposed-rulemaking/2026-2028-enterprise-housing-goals-proposed-rule.*

## IV. Single-Family Housing Goals and Subgoal

### *A. Factors Considered in Setting the Single-Family Housing Goal Benchmark Levels*

The Safety and Soundness Act requires FHFA to consider the following seven factors in setting the single-family housing goals:

1. National housing needs;
2. Economic, housing, and demographic conditions, including expected market developments;
3. The performance and effort of the Enterprises toward achieving the housing goals in previous years;
4. The ability of the Enterprises to lead the industry in making mortgage credit available;
5. Such other reliable mortgage data as may be available;
6. The size of the purchase money conventional mortgage market, or refinance conventional mortgage market, as applicable, serving each of the types of families described, relative to the size of the overall purchase money mortgage market or the overall refinance mortgage market, respectively; and
7. The need to maintain the sound financial condition of the Enterprises.[21]

FHFA has considered each of these seven statutory factors in setting the benchmark levels for each of the single-family housing goals in this final rule. FHFA also has considered each of the comments received in response to the proposed rule, as discussed in more detail below

FHFA's analysis of the single-family housing goals depends in part on a market forecast model developed by FHFA. The most recently developed models, published in December 2024, relied on 20 years of HMDA data, from 2004 to 2023, the latest year for which public HMDA data was available when the proposed rule was issued. FHFA also uses Moody's Analytics forecasts data as the primary data source for the model's independent or driver variables. Additional discussion of the most recent market forecast models can be found in a technical report on FHFA's website.[22]

### *B. National Housing Needs and Economic, Housing, and Demographic Conditions*

FHFA received several comments from national advocacy groups and individuals on the current state of housing affordability, racial disparities in lending, and threats to economic sustainability in the United States. Two commenters argued that the lower benchmarks would improve affordable housing, strengthen communities, and reduce inequality. However, most commenters contended that the lower benchmarks would widen gaps in affordable housing availability and increase financial hardship for low- to moderate-income borrowers. Some commenters claimed that FHFA asserted that mission focused lending undermines safety and soundness. These commenters argued FHFA should not prioritize recapitalization over equitable access to capital and the public interest. Furthermore, advocacy groups stated that the nation faces a housing affordability crisis compounded by a fair housing crisis, both of which exacerbate challenges for borrowers. Commenters provided evidence that racial homeownership gaps remain as wide today as in 1968 and cited ongoing redlining, exclusionary zoning laws, and labor market discrimination.

Other commenters, including trade associations, praised FHFA's efforts to enhance the supply of affordable housing and promote efficiency and innovation in the housing market. Specifically, trade associations supported FHFA's focus on housing supply in the proposed rule. They argued that the Enterprises should reconsider deployment of housing goal subsides to address drivers of housing affordability issues. Some policy advocacy groups, however, rejected the notion that current affordable housing supply conditions justify a reduction in goals, emphasizing that the Enterprises have a mandate to support borrowers regardless of housing supply levels.

The Agency also received comments on the proposed rule's impact on first-time homebuyers. Advocacy groups noted that homeownership remains out of reach for borrowers across all income levels, emphasizing that single-family home prices have risen faster than median incomes in nearly all metropolitan areas. They urged FHFA not to reduce the single-family benchmarks, emphasizing that Enterprise-backed mortgages represent important opportunities for first-time homebuyers. Advocacy groups further expressed concern that persistent drivers of wealth inequality, such as exposure to natural disasters and worsening macroeconomic conditions, continue to disproportionately affect low- to moderate-income communities, and cautioned that the single-family benchmarks should not be set at levels that could exacerbate disparities among borrowers.

FHFA also received comments in favor of its broad efforts to better serve middle- and working-class Americans. Trade organizations praised FHFA for acknowledging the past evidence of "denominator management" and other market distortions that negatively impact middle class borrowers and supported FHFA's proposed efforts to negate these effects. Other commenters argued that the regulation does not expand access to housing credit for all borrowers, but, instead, primarily benefits wealthier households. Some policy advocacy groups also challenged FHFA's belief that the rule, if finalized as proposed, will better support middle-income borrowers, noting that the current housing goals already target this group and that reducing the benchmarks undermines the regulation's intended objective. Commenters emphasized that middle-income borrowers should be supported by the Enterprises in all economic cycles and across all regions, and argued that the proposed benchmarks do not achieve this goal. Additionally, advocacy groups criticized FHFA for not providing sufficient quantitative evidence to support the assertion that moderate-income households will face increasing obstacles to homeownership due to competition among millennials pursuing first-time homeownership.

FHFA acknowledges the nation's affordable housing crisis, and believes that finalizing the proposed rule will be a meaningful step toward addressing these challenges for Americans. The rule accounts for the limited supply of affordable housing and establishes benchmark levels designed to prevent unfair market distortions, such as discouraging or denying access to mortgages for credit-eligible applicants in order to meet housing goals targets. The lower single-family benchmarks are also intended to help mitigate potential price escalation that could disproportionately harm affordability for goal-eligible populations. Furthermore, the proposed benchmarks will enable the Enterprises to focus their efforts on developing products and resources that better support first-time homeownership and enhance affordability, rather than competing in a bidding war over a limited supply of goal-qualifying loans. FHFA finds that the proposed rule, once finalized, will likely expand access to mortgage credit for approximately 201,000 additional goal-eligible borrowers who otherwise might not obtain mortgage financing. Therefore, FHFA concurs with commenters who argue that the lower

[21] *See* 12 U.S.C. 4562(e)(2)(B).

[22] Details on FHFA's single-family market models are available in the technical report "The Size of the Affordable Mortgage Market: 2025–2027 Enterprise Single-Family Housing Goals," (December 2024), *available at https://www.fhfa.gov/research/papers/2025-2027-enterprise-single-family-housing-goals-12-2024.*

single-family benchmarks will improve housing affordability and reduce inequalities for Americans.

The Agency is committed to ensuring non-discriminatory access to mortgage credit across the nation and works to ensure that fair lending laws and requirements are followed by all of its regulated entities. However, FHFA disagrees that the setting of housing goal benchmarks has direct impact on redlining, exclusionary zoning laws, or labor market discrimination. Rather, the Agency's policy is to ensure that all households have equal access regardless of race and ethnicity. Over the past year, the Agency has overseen and supported efforts by the Enterprises to make housing more affordable, including, for example, through down payment and closing cost assistance to very low-income borrowers, enhanced free borrower education, and modern underwriting that considers a borrower's rental payment history and cash flow.

While the rule is designed to support low- to moderate-income borrowers in light of ongoing affordability and fair lending challenges, FHFA emphasizes that other market participants also play a vital role in advancing affordable housing. State Housing Finance Agencies (HFAs), the Rural Housing Service (RHS), the Federal Housing Administration (FHA), and the Department of Veterans Affairs (VA) are among the government entities that help provide liquidity and access to credit for low- to moderate-income borrowers. These organizations are often able to offer more favorable products tailored to the unique needs of these borrowers. As noted above and in the preamble to the proposed rule, the final rule ensures that benchmark levels are calibrated to avoid crowding out government entities and other sources of mortgage liquidity, thereby fostering a balanced and coordinated effort to expand affordable housing opportunities.

Lastly, FHFA finds that, given current affordability challenges and heightened market uncertainty, it would be imprudent to set benchmarks at overly aggressive levels. To maintain compliance with statutory safety and soundness requirements and to promote long-term housing market stability, FHFA believes it is essential to establish benchmark levels that strengthen the Enterprises' financial positions while continuing to ensure that low- and moderate-income families are effectively served.

*C. Performance and Effort of the Enterprises in Achieving Housing Goals in Previous Years*

Commenters representing industry trade organizations supported the Agency's position regarding the potential for past goals to have been too aggressive and beyond the capacity of available supply in the market. In their view, the primary issue is the limited supply of affordable homes, and an over-emphasis on the demand side of the equation (high goal benchmarks) has historically led to market distortions and ''gamesmanship,'' including an extreme bidding war for goal-qualifying loans.

Commenters specifically referenced past market data and FHFA's own 2024 determination that the 2023 low-income and very low-income home purchase goals were not feasible to achieve. They posit that FHFA's failure to reset these benchmarks resulted in the Enterprises engaging in the kind of competition that the proposed rule noted produces market distortions, such as pricing increases or managing down the ''denominator'' of total loans purchased.

These commenters largely supported the proposed benchmarks, believing they were appropriately set at the low end of model confidence intervals or just below model estimates. They viewed this level as providing necessary flexibility for the Enterprises to respond to the market while maintaining their statutory obligations. The ultimate measure of success, they argued, should be the real-world impact on affordability and household sustainability, not just meeting a numerical loan production target. A commenter further noted that aggressive goal setting can inadvertently increase housing costs.

Conversely, many commenters disagreed that the Enterprises are crowding out other market participants and that their actions may lead to market distortion, stating that no evidence was presented. A commenter asserted that any perceived inefficiencies may lie in the Enterprises' underwriting and pricing frameworks, not in the goals themselves, and that updating those frameworks could strengthen liquidity for lenders while maintaining robust goals.

FHFA appreciates the thoughtful comments regarding the historical impact of setting housing goal benchmarks and the suggestions for improving the measurement of goal success. The Agency concurs with commenters who observed that aggressive goal setting in the past, where targets exceeded the available supply in the market, resulted in market distortions and bidding wars that ultimately do not benefit the homebuyer. This aligns with FHFA's rationale that benchmarks set inappropriately high penalizes middle-class borrowers and creates an inefficient subsidy mechanism. The Agency's determination that the 2023 low-income and very low-income goals were infeasible further reinforces the need for realistic, achievable targets.

FHFA also agrees that the housing goals should increase affordability and promote sustainable homeownership, not simply meet a numerical target. The proposed recalibration of the Enterprise housing goals is warranted to address the concern, as detailed in the proposed rule and reiterated in this final rule, that past benchmarks were too high, which hindered the efficient deployment of funds. The new benchmarks are designed to provide the necessary flexibility for the Enterprises to respond to market conditions, meet their statutory obligations, and facilitate a thorough examination of lending patterns without causing undue market distortion.

The Agency finds merit in the suggestion to focus on loan performance as an integral measure of housing goal success. Ensuring loan sustainability is directly tied to FHFA's core responsibility to maintain the safety and soundness of the housing finance system. FHFA will examine incorporating household sustainability factors into future goal credit calculations or performance assessments.

Regarding the comment that questioned the evidence of ''denominator management,'' FHFA relies on its analysis of how the Enterprises' pricing mechanisms and operational efforts, when driven by high benchmarks, can lead to the displacement of private capital and distort competition with other federal entities and harm middle-income borrowers. As noted in the proposed rule and the Regulatory Impact Analysis, FHFA notes that the non-Enterprise market segment [23] has experienced a growth in their share of goal-eligible loans since 2022, while the Enterprises acquisitions declined, potentially indicating ''denominator management.''

FHFA aims to encourage the Enterprises to reassess the deployment

[23] Graph 2 in the Regulatory Impact Analysis includes all non-Enterprise originations. However, Graph 4 to the proposed rule provides the shares of the conforming mortgage market for all new originations; the Graph shows that since 2022, the share of non-Agency originations (retained portfolio, PLS market, etc.) has grown.

of housing goal subsidies to more effectively address the underlying drivers of housing affordability. As described in the proposed rule and the Regulatory Impact Analysis, current benchmarks have contributed to bidding wars and market distortions over a limited housing supply. Housing supply conditions therefore directly affect the statutory factors FHFA must consider when setting benchmarks, including, but not limited to: the Enterprises' ability to fulfill public needs; their leadership role in the mortgage industry; and their support of safe and sound mortgage practices. Accordingly, FHFA finds that current and forecasted housing supply conditions may justify a reduction in goals, as affordable housing supply is part of the statutory considerations for benchmark-setting.

As noted previously in the preamble to the proposed rule and the Regulatory Impact Analysis, FHFA continues to believe that finalizing the proposed rule will expand access to housing credit for all borrowers. Critiques suggesting that the rule primarily benefits wealthier borrowers are unfounded. Goal-eligible loans exclude borrowers in the highest income brackets, such as investors and mortgages exceeding the conforming loan limit. Moreover, the Enterprises remain incentivized to meet statutory requirements for low- and moderate-income borrowers, as failure to comply could result in penalties. Lenders are also likely to continue originating loans to low- and moderate-income borrowers due to pay-ups (premiums) in secondary market trading and because these loans represent a significant and profitable segment of the homebuying market.

FHFA finds that finalizing the proposed rule will better support middle-income borrowers compared to the current rule. While the same number of goal-qualifying borrowers will be served, the proposed rule reduces the likelihood of turning away middle-income borrowers who do not fit a goal-qualifying definition solely to meet a ratio of goal-qualifying to goal-eligible borrowers. According to FHFA's regulatory impact analysis, finalizing the proposed rule is expected to result in an increase of 201,000 loans to goal-eligible borrowers, with the largest gains likely for middle-income households.

As described in the proposed rule, FHFA considers demographic factors as part of its post-model adjustment process to identify appropriate benchmarks based on model forecasts. One of the factors discussed was a potential significant increase in demand compared to the baseline forecasts due to indications that millennials are driving increased competition for moderate-income homeownership opportunities. According to NAR's *Home Buyers and Sellers Generational Trends 2025* report and a Michigan Journal of Economics survey, millennials represent the largest share (29%) of recent homebuyers,[24] signaling current demand, and 55% are expected to inherit wealth over the next five years, indicating future demand.[25] Furthermore, the Joint Center for Housing Studies' 2025 report projects that the number of households aged 35–44 will grow by 3.0 million between 2025 and 2035. FHFA therefore finds it likely that an increasing number of moderate-income borrowers will seek homeownership and will likely benefit from the proposed rule. FHFA is committed to monitoring the impact of the final benchmarks to ensure borrowers across all economic cycles and regions are supported.

*D. Ability To Lead the Industry in Making Mortgage Credit Available*

Many commenters asserted that the Enterprises have a statutory mandate to serve low- to moderate-income borrowers and communities and to lead the industry in making mortgage credit available. Commenters cited the Enterprises' public missions and the requirements under the Safety and Soundness Act, which includes a specific factor for FHFA to consider in setting goals: the Enterprises' ability to lead the market in supporting access to mortgage credit.[26] These commenters contend that Congress mandates the Enterprises to lead the industry in making mortgage credit available for low- and moderate-income borrowers. Many of the commenters believe that these goals, as proposed, would not fulfill this mandate.

Several commenters also disagreed with the rationale in the proposed rule that suggests it may be inappropriate for the Enterprises to have an outsized market share in mortgage lending to low- to moderate-income or that the Enterprises should cede their market share to allow for other industry participants. Some commenters expressed concern that the proposed benchmarks over-emphasize middle-income borrowers at the expense of low- to moderate-income borrowers.

Commenters disputed the Agency's suggestion that other federal government programs (FHA, VA, and USDA/RHS), state Housing Finance Agency (HFA) programs, or the private-label securities (PLS) market could serve to make mortgage credit available for low- to moderate-income borrowers. Commenters explained that VA and USDA loans have statutory eligibility restrictions that limit their availability, and one commenter expressed concern that a reduction in the benchmark may ''create a credit gap for households on the margin of eligibility for both programs.'' Furthermore, commenters noted that although FHA serves a wider segment of the market, these loans are generally more expensive for many creditworthy households due to higher upfront and ongoing costs in the form of a higher mortgage insurance premium, and interest rate, as well as the lifetime nature of the mortgage insurance. Commenters note that similar borrowers who qualify for a conventional mortgage are able to use Enterprise loan products often receive lower interest rates and cancelable mortgage insurance, reducing the lifetime costs of the mortgage.

Commenters contended that bank balance sheets cannot be expected to fill the gap, as banks already receive full Community Reinvestment Act (CRA) credit for loans sold to the Enterprises and have no reason to increase the share of low- to moderate-income loans they hold on balance sheet. Commenters pointed out that the PLS market is cyclical and historically has primarily funded mortgages to higher-income borrowers, with the one exception being the subprime lending boom preceding the 2008 financial crisis. Rather, a commenter noted, the PLS market is highly sensitive to global capital flows, and during times of credit pressure (such as the 2008 global financial crisis and the 2020–2021 coronavirus pandemic) the PLS market has either ceased to function, or fully withdrew from participating in the market. At these times, only government lending and the Enterprises remained to stabilize the mortgage market. Concern was also raised that supporting PLS market growth is not a mandate in statute and raises market stability concerns.

A few commenters agreed with the underlying principle that the Enterprises should not be the sole source of mortgage liquidity and that pricing should determine the extent of their reach. These commenters noted

[24] *See* National Association of Realtors, ''2025 Home Buyers and Sellers Generational Trends Report,'' (2025), *available at https://cms.nar.realtor/sites/default/files/2025-03/2025-home-buyers-and-sellers-generational-trends-report-04-01-2025.pdf?_gl=1*8shge6*_gcl_au*OTc2MTQxNzk4LjE3NjI4MTAzNTY.*

[25] *See* Michigan Journal of Economic, ''The Great Wealth Transfer and its Implications for the American Economy,'' *available at https://sites.lsa.umich.edu/mje/2025/04/03/the-great-wealth-transfer-and-its-implications-for-the-american-economy/.*

[26] *See* 12 U.S.C. 4562(e)(2)(B)(iv) and 4563(a)(4)(D).

that while it is appropriate for the Enterprises to increase market share in periods of market stress or periods of retreat by other market participants to ensure credit availability, when the private markets are operating in a healthy manner, the Enterprises can and should reduce market share. Several commenters, including industry groups, supported the notion that goals should be set at an appropriate level to avoid market distortions and prevent the Enterprises from crowding out private sector participants.

A different set of commenters offered a criticism of past goals, arguing that setting them too low led to a sharp growth in volume for FHA, VA, and RHS programs, and simultaneously reduced private capital participation through instruments like private mortgage insurance and credit risk transfers. In their view, goals set too low concentrate risk with the federal government, which runs counter to the Congressional objective for the Enterprises to share risk with private capital providers. These commentators expressed a preference for an appropriate level of private capital to be deployed in the low- to moderate-income space, arguing this would increase affordability and efficiency while reducing dependence on Federal government support.

FHFA appreciates the commenters' detailed feedback regarding the statutory mission of the Enterprises and their role in the secondary mortgage market. The Agency acknowledges the Enterprises' fundamental statutory mandate to serve all borrowers, including low- to moderate-income borrowers and communities throughout the country. FHFA believes that the rule is designed to ensure that the Enterprises fulfill this statutory purpose while ensuring that all borrowers have equal access to a liquid secondary market, and balancing safety and soundness. FHFA disagrees that the benchmarks are at odds with this important role.

FHFA also notes that the Director is required by statute to establish goal targets by considering both historical performance and a number of statutory factors. One of these factors is ''the ability of the enterprise to lead the industry in making mortgage credit available.'' [27] This factor does not mean that the Enterprises must lead the industry; rather, the Enterprises' ability to lead the industry is one of several factors considered in conjunction with historical performance in setting goals. FHFA believes that the goal setting methodology described in the preamble to the proposed rule follows the statutory framework by considering all the required factors to set benchmarks that reflect the policy priorities of the Director.

FHFA agrees with the commenters who believe that the Enterprises should not be the sole source of mortgage credit liquidity, particularly for low- to moderate-income borrowers. The Agency maintains a policy interest in ensuring the Enterprises do not crowd out other market participants and intends to use the flexibility provided by the new goals to collect and analyze comprehensive data to definitively assess the relationship between goal levels and market behavior, including potential pricing inefficiencies. A diverse secondary mortgage market—one that includes the Enterprises, Federal government loan programs, state and local Housing Finance Agencies, and a robust, sustainable private-label securities market—is essential. This diversity allows for healthy competition that can reduce costs for borrowers, foster innovation, and ensure a more resilient and reliable supply of liquidity across the economic cycle.

The Agency's approach is consistent with the policy objectives of promoting competition, increasing private sector participation, and ensuring the Enterprises' role is defined without duplicating support provided by the Federal Housing Administration or other federal programs. Setting goals appropriately requires balancing the statutory obligation to promote access to affordable credit with the need to ensure safety and soundness while avoiding unnecessary and costly duplication of support. The Agency also acknowledges the critical need to reduce taxpayer exposure to risk and promote private capital participation.

The determination of the final goal targets balances the statutory obligation to promote access to affordable credit, the Enterprises' ability to lead the market, and the need to promote a sustainable, liquid, and competitive secondary market that includes other market participants and private risk-sharing mechanisms. The goal levels ultimately established are determined to provide a sufficient incentive for the Enterprises to fulfill their mission to low-to moderate-income borrowers and serve as leaders in the market while encouraging the sustainable growth and participation of other, non-Enterprise market participants and the appropriate deployment of private capital. Furthermore, as noted above, FHFA's analysis of past goal performance, where Enterprises continued to perform above benchmarks even when they were set lower, suggests that the Enterprises will maintain strong liquidity and outreach to low-to moderate-income borrowers, as is consistent with their broader statutory mission.

For many low-to moderate-income borrowers, the Enterprises are the appropriate liquidity providers, for others it may be FHA or VA (via Ginnie Mae), while still others could be better served by the PLS market. It is important, however, to clearly distinguish between the setting of the housing goals benchmarks and the selling and underwriting requirements of the Enterprises. In response to a commenter's belief that lower benchmarks could create a ''credit gap,'' FHFA notes that a reduced benchmark is separate and distinct from Enterprise business decisions regarding the appropriate amount of credit risk; further, it is unlikely that an applicant's mortgage that was eligible for purchase by the Enterprises would be ineligible by FHA. As noted above, FHFA does not agree that FHA loans are always a more expensive alternative because pricing depends on a borrower's financial profile, loan terms, and market conditions. FHFA also acknowledges that FHA has a clear statutory mandate to make homeownership more accessible, particularly for low- to moderate-income borrowers with low down payments.

It is FHFA's intent to ensure that the Enterprises do not crowd out other participants [28] and believes the updated benchmarks will encourage their involvement. It is also clear that under the current housing goals benchmarks, a distortive effect is present and FHFA believes that the means to correct this is to appropriately size the goals to the needs of the market. It is with this in mind that FHFA seeks to the right-size the goals and ensure that all borrowers are served appropriately and extended credit that fits within a borrower's need and circumstance. As noted earlier, the new benchmarks should not be viewed as a ceiling for the Enterprises, and the Enterprises are still expected to make best efforts at serving all segments of the market, ensuring they meet their affirmative statutory obligations.

### *E. Low-Income Purchase and Very Low-Income Purchase Goal Determinations*

FHFA received a total of 11 comment letters from advocacy groups regarding

[27] 12 U.S.C. 4562(e)(2)(B)(iv).

[28] As noted above, Graph 4 to the proposed rule provides the shares of the conforming mortgage market for all new originations; the Graph shows that since 2022, the share of non-Agency originations (retained portfolio, PLS market, etc.) has grown.

the single-family purchase benchmarks. All letters focused on the proposed reduction of the low-income purchase (LIP) benchmark from 25.0 percent to 21.0 percent, while all but one also addressed the proposed reduction of the very low-income purchase (VLIP) benchmark from 6.0 percent to 3.5 percent for the years 2026–2028.

The commenters generally expressed concerns that the proposed goals are not ambitious enough and fall below current market levels, undermining the assistance that the Enterprises could provide to families in need. They argued that these reduced goals could jeopardize the statutory mission of the Enterprises and significantly limit lending opportunities for households with incomes up to 80 percent and 50 percent of area median income for LIP and VLIP, respectively.

Additionally, several commenters raised issues with FHFA's reliance on qualitative evidence related to the crowding out of other funding sources, the increasing costs for middle-income borrowers, and the notion that increased lending to low and moderate-income borrowers could undermine safety and soundness. Despite these Agency concerns, the commenters argue that market data supports maintaining the current benchmark levels, which they say have consistently been met in previous years. The commenters advocate for more ambitious goals, especially given the ongoing affordability challenges in the housing market.

Most of the commenters urged FHFA to either maintain the current benchmarks or reassess them based on additional empirical data, rather than qualitative evidence and industry sentiment. One of these commenters suggested that the Enterprises could exceed the current purchase benchmarks, requesting increases in both LIP and VLIP benchmarks, although no specific targets were provided.

In contrast to the commenters advocating higher benchmarks, there were two letters from industry trade groups expressing their appreciation to FHFA for its recognition of the potential for market distortion and efforts to more appropriately calibrate the goals. One of these commenters pointed out that the LIP and VLIP goals were not feasible to achieve for 2023.

FHFA has thoroughly reviewed the comments and decided to retain the proposed reductions to both single-family purchase goals. This decision is based on FHFA's consideration of each of the statutory factors and the comments received, as discussed above.

The Agency reaffirms that while data is crucial, qualitative insights from stakeholder experience also play an essential role in understanding the complexities of the mortgage finance landscape. These qualitative assessments enrich the understanding of market dynamics and borrower needs. Further, the Agency provided quantitative data using the National Mortgage Database, noting unexpectedly lower acquisitions of goal-eligible loans by the Enterprises beginning in 2022, which may be explained by denominator management strategies identified by market participants through the qualitative data. The Regulatory Impact Analysis estimates that in 2024, the Enterprises would have acquired an additional 67,000 goal-eligible loans per annum without having to purchase any fewer housing goal qualifying loans. Both qualitative and quantitative data provide unique and valuable insights into the market. In this case, both qualitative and quantitative information reinforce the need for FHFA to make adjustments to the goals to appropriately align incentives with desired outcomes.

FHFA aims to balance market dynamics by reconciling the Enterprises' commitment to affordable lending with the necessity of providing liquidity in the broader market. The Agency believes that maintaining these revised goals will reduce market distortions and mitigate unintended consequences while continuing to provide robust support for low- to moderate-income households. Furthermore, FHFA acknowledges the current economic realities affecting the housing landscape, such as a significant decrease in affordable inventory and rising costs, necessitating a reevaluation of attainable targets.

With a focus on long-term stability in the housing market, FHFA believes that implementing lower benchmarks is a prudent strategy to ensure the Enterprises can operate sustainably while protecting their financial health and the structural integrity of the secondary mortgage market. It is important to note that these goals reflect minimum requirements, and the Agency expects the Enterprises to exceed these benchmarks whenever feasible and prudent.

TABLE 1—SINGLE-FAMILY LOW-INCOME HOME PURCHASE GOAL

| Year | Historical performance | | | | 2025 | 2026 | 2027 | 2028 |
|---|---|---|---|---|---|---|---|---|
| | 2021 | 2022 | 2023 | 2024 | | | | |
| Actual Market | 26.7% | 26.8% | 26.3% | | | | | |
| Benchmark | 24.0% | 28.0% | 28.0% | 28.0% | 25.0% | 21.0% | 21.0% | 21.0% |
| **Fannie Mae Performance** | | | | | | | | |
| Low-Income Home Purchase Mortgages | 375,569 | 278,799 | 189,439 | 189,247 | | | | |
| Total Home Purchase Mortgages | 1,306,459 | 1,016,371 | 726,139 | 710,076 | | | | |
| Low-Income % of Home Purchase Mortgages | 28.7% | 27.4% | 26.1% | 26.7% | | | | |
| **Freddie Mac Performance** | | | | | | | | |
| Low-Income Home Purchase Mortgages | 329,426 | 264,118 | 209,432 | 200,757 | | | | |
| Total Home Purchase Mortgages | 1,201,540 | 911,037 | 735,932 | 753,338 | | | | |
| Low-Income % of Home Purchase Mortgages | 27.4% | 29.0% | 28.5% | 26.6% | | | | |

As presented in Table 2, the market level for the low-income home purchase housing goal, derived from HMDA data, declined from 27.6 percent in 2020 to 26.3 percent in 2023. FHFA's most recent forecast for this goal projects a continued market level decline, averaging 25.9 $\pm$ 5.6 percent. FHFA's current model forecasts the market level to remain below 26.0 percent through 2027, with an average forecast midpoint value of 25.9 percent.

Regarding Enterprise performance, Freddie Mac recorded a low-income home purchase performance of 29.0 percent in 2022 and 28.5 percent in 2023, exceeding both the benchmark and market levels in those years. Fannie

Mae's performance in 2022 was 27.4 percent, which was below the benchmark level but above the market level. In 2023, however, Fannie Mae's performance decreased to 26.1 percent, falling below both the benchmark and the market levels. For 2023, FHFA determined that while Fannie Mae did not meet the goal, the established benchmark was not feasible for the Enterprise.[29] For 2024, both Enterprises exceeded the market level, with Fannie Mae's performance at 26.7 percent and Freddie Mac's performance at 26.6 percent.

TABLE 2—SINGLE-FAMILY VERY LOW-INCOME HOME PURCHASE GOAL

| Year | Historical performance | | | | 2025 | 2026 | 2027 | 2028 |
|---|---|---|---|---|---|---|---|---|
| | 2021 | 2022 | 2023 | 2024 | | | | |
| Actual Market | 6.8% | 6.8% | 6.5% | ............ | ............ | ............ | ............ | ............ |
| Benchmark | 6.0% | 7.0% | 7.0% | 7.0% | 6.0% | 3.5% | 3.5% | 3.5% |
| **Fannie Mae Performance** | | | | | | | | |
| Very Low-Income Home Purchase Mortgages | 97,154 | 69,919 | 43,792 | 41,783 | ............ | ............ | ............ | ............ |
| Total Home Purchase Mortgages | 1,306,459 | 1,016,371 | 726,139 | 710,076 | ............ | ............ | ............ | ............ |
| Very Low-Income % of Home Purchase Mortgages | 7.4% | 6.9% | 6.0% | 5.9% | ............ | ............ | ............ | ............ |
| **Freddie Mac Performance** | | | | | | | | |
| Very Low-Income Home Purchase Mortgages | 75,945 | 64,850 | 50,244 | 46,055 | ............ | ............ | ............ | ............ |
| Total Home Purchase Mortgages | 1,201,540 | 911,037 | 735,932 | 753,338 | ............ | ............ | ............ | ............ |
| Very Low-Income % of Home Purchase Mortgages | 6.3% | 7.1% | 6.8% | 6.1% | ............ | ............ | ............ | ............ |

As detailed in Table 3, the market level for the very low-income home purchase housing goal, derived from HMDA data, decreased from 7.0 percent in 2020 to 6.5 percent in 2023. FHFA's most recent forecast projects a continued market level decline, averaging 6.0 ± 2.5 percent. FHFA's current model forecasts the market to continue its downward trajectory reaching below 6 percent through 2027, with an average forecast midpoint value of 5.9 percent.

Regarding the Enterprises, both Enterprises met the very low-income home purchase goal in 2022, with Freddie Mac's performance at 7.1 percent and Fannie Mae's performance at 6.9 percent. In 2023, Freddie Mac met the very low-income home purchase goal, with performance at 6.8 percent, but Fannie Mae's performance was 6.0 percent, which was below both the market and the benchmark. For 2024, Freddie Mac again met the very low-income home purchase goal, while Fannie Mae's performance was 5.9 percent, below both the market and the benchmark.

The Agency remains committed to its statutory mission of promoting affordable housing. However, the latest available market performance data, market forecasts, and Enterprise performance all indicate that the current benchmark levels for the low-income home purchase goal and the very low-income home purchase goal are set too aggressively. FHFA believes that the reductions in the LIP and VLIP goals are a necessary strategy to maintain the stability of the Enterprises and the broader housing market. FHFA values the constructive dialogue and insights from stakeholders and will continue to monitor market conditions closely to evaluate the ongoing viability of these housing goals.

*F. Low-Income Areas, Minority Census Tracts, & Low-Income Census Tracts Subgoal Determinations*

The Agency received several comments regarding the restoration of the low-income areas subgoal, which would merge the current minority census tracts subgoal and the low-income census tracts subgoal. One individual supported the restoration of the low-income areas subgoal as it reduces administrative burden.

One individual, one trade association, two nonprofits, and three policy advocacy groups disagreed with the proposal to restore the previous subgoal and urged FHFA to keep the two area-based subgoals separate. They argued that given that the Enterprises can meet the low-income census tracts segment by serving borrowers at any income, combining both segments could result in greater service to higher-income borrowers and reduced focus on lower-income homebuyers in minority census tracts. One policy advocacy group argued that this change could result in the Enterprises' purchasing up to 88,000 fewer loans in minority census tracts from 2026 to 2028. In addition, commenters noted that while this merger may reduce administrative burden, it may make it more difficult to track the Enterprises' performance in the minority census tracts.

As stated in the proposed rule, FHFA is restoring the low-income areas subgoal to simplify the regulatory framework, improve operational clarity for the Enterprises, and better align the subgoal with existing borrower-based metrics. This merger ensures that both segments of the subgoal remain supported while considering the implementation challenges related to the current structure. This change also advances the Administration's priorities for race neutral policies, and for regulatory reform by reducing compliance costs, increasing efficiency, and reducing regulatory burden.

Under the current structure, all higher-income borrower loans in low-income census tracts that are also minority census tracts qualify for the low-income census tracts subgoal only, while the lower-income loans in those census tracts qualify for the minority census tracts subgoal only. Although this separation enables the Enterprises to focus on lower-income borrowers in census tracts that are both minority and low-income in one subgoal (the minority census tracts subgoal), it also places higher-income loans in those census tracts in the other subgoal, which increases operational complexity.

However, a 2020 study of Enterprise acquisitions between 2010 and 2019, conducted by FHFA, found that under the previous structure, when the loans

[29] FHFA's final determination of Fannie Mae's performance for 2023, *available at https://www.fhfa.gov/sites/default/files/2024-11/2023-Final-Determination-Letter-Fannie-Mae.pdf.*

were not separated as described above, the share of loans made to borrowers with incomes greater than 100 percent of AMI and residing in low-income census tracts declined from 40.7 percent in 2010 to 37.0 percent in 2019.[30] The trend was similar among borrowers residing in minority census tracts, with the share of higher-income borrowers declining from 45.4 percent in 2010 to 42.9 percent in 2019.[31] The share of high-income borrowers peaked between 2014 and 2016, corresponding with an overall increase in loan volume, decline in mortgage rates, and expansion of credit availability. In the following years, FHFA observed an overall decline in the share of higher-income borrowers that qualified for this housing goal. Based on this evidence, and assuming that the trend observed during the 2010 to 2019 study period is representative of the subgoal as a whole, there does not appear to be any evidence that having a combined goal results in reduced support for low-income borrowers. FHFA believes that the Enterprises will continue to support lower-income borrowers when borrowers in low-income census tracts and minority census tracts are served under one subgoal.

Additionally, FHFA notes that the public will still be able to track the Enterprises' performance in minority census tracts without the minority census tracts subgoal. The Enterprises provide this information in Tables 7 and 9 of their Annual Mortgage Reports published on their websites.[32] Additionally, FHFA publishes information on borrower race and ethnicity by loan product compared to the market in its Annual Housing Report.[33]

Given the operational challenges that emerged with the current structure, and the evidence of Enterprise behavior under the previous structure, FHFA believes that it is reasonable and prudent to restore the low-income areas subgoal as it will reduce administrative burden while encouraging the Enterprises to focus on supporting borrowers in low-income areas.

TABLE 3—SINGLE-FAMILY LOW-INCOME AREAS HOME PURCHASE SUBGOAL

| Year | Historical performance | | | | 2025 | 2026 | 2027 | 2028 |
|---|---|---|---|---|---|---|---|---|
| | 2021 | 2022 | 2023 | 2024 | | | | |
| Actual Market | 19.1% | 21.8% | 22.1% | | | | | |
| Benchmark | 14.0% | N/A | N/A | N/A | N/A | 16.0% | 16.0% | 16.0% |
| **Fannie Mae Performance** | | | | | | | | |
| Minority Census Tracts Home Purchase Mortgages | 143,340 | 137,474 | 91,202 | 92,060 | | | | |
| Low-Income Census Tracts Home Purchase Mortgages | 122,177 | 94,864 | 67,844 | 68,370 | | | | |
| Low-Income Areas Subgoal Home Purchase Mortgages | 265,517 | 232,338 | 159,046 | 160,430 | | | | |
| Total Home Purchase Mortgages | 1,306,459 | 1,016,371 | 726,139 | 710,076 | | | | |
| Low-Income Area Subgoal % of Home Purchase Mortgages | 20.3% | 22.9% | 21.9% | 22.6% | | | | |
| **Freddie Mac Performance** | | | | | | | | |
| Minority Census Tracts Home Purchase Mortgages | 111,691 | 116,223 | 97,378 | 90,754 | | | | |
| Low-Income Census Tracts Home Purchase Mortgages | 104,401 | 82,883 | 69,459 | 69,438 | | | | |
| Low-Income Areas Subgoal Home Purchase Mortgages | 216,092 | 199,106 | 166,837 | 160,192 | | | | |
| Total Home Purchase Mortgages | 1,201,540 | 911,037 | 735,932 | 753,338 | | | | |
| Low-Income Area Subgoal % of Home Purchase Mortgages | 18.0% | 21.9% | 22.7% | 21.3% | | | | |

The numbers in italics refer to FHFA's tabulations of the market and Enterprise performance had this subgoal been in place from 2022–2024.

Table 3 shows the market levels and Enterprise performance on this subgoal in 2021, along with implied market levels and Enterprise performance for the years 2022 through 2024, during which the low-income areas subgoal was replaced by the low-income census tracts and minority census tracts subgoals. As shown above, both Enterprises exceeded the proposed benchmark level for this subgoal in 2022, 2023, and 2024.

Based on the comments received and FHFA's consideration of the statutory factors, including the recent performance of the Enterprises and the market forecasts shown in Table 3, FHFA has determined that the benchmark level for the low-income areas home purchase subgoal should be established at the level that was proposed by FHFA earlier this year, 16 percent.

### *G. Low-Income Refinance Goal Determinations*

The Agency received comments regarding the proposal to maintain the low-income refinance benchmark level at 26.0 percent. A trade organization supported FHFA's proposal to maintain the benchmark level as was finalized in the 2025–2027 rule, given the segment's sensitivity to interest rates. Another trade organization urged FHFA to consider lowering the low-income

[30] Advanced Notice of Proposed Rulemaking, Table 3: Borrower Income Relative to AMI (Enterprise Loans Only), *available at https://www.govinfo.gov/content/pkg/FR-2020-12-21/pdf/2020-28084.pdf.*

[31] *Ibid.*

[32] *See* Fannie Mae's 2024 Annual Mortgage Report, *available at https://www.fanniemae.com/media/55596/display* and Freddie Mac's 2024 Annual Mortgage Report, *available at https://www.freddiemac.com/about/pdf/2024-annual-mortgage-report.pdf.*

[33] Under 12 U.S.C. 4544(b)(3), FHFA is required to "aggregate and analyze data on income, race, and gender by census tract and other relevant classifications, and compare such data with larger demographic, housing, and economic trends." *See* FHFA's 2024 Annual Housing Report, *available at https://www.fhfa.gov/document/annual-housing-report-2024.*

refinance benchmark level—which is below the lower bound of the market forecast confidence interval—also due to the segment's sensitivity to interest rates.[34] They noted that there is a potential for a decline in interest rates given the Administration's stated policy priorities. They also urged FHFA to reinstate the measurement buffer for this goal, due to the potential of interest rates declining to a level that does not support the proposed benchmark level (as explained below).

As noted in the proposed rule, the Enterprises' annual performance on the low-income refinance goal tends to be inversely proportional to the volume of low-income refinance loans the market produces and the Enterprises purchase during a given year.[35] For example, during the low mortgage rate environment in 2020, overall low-income refinance volume in the market increased significantly, exceeding 1.3 million loans.[36] However, the total market volume for all refinances also surged, reaching over 6.3 million loans.[37] This resulted in a low-income refinance market performance of only 21.0 percent. During that time period, as well as during 2015 to 2017, neither the Enterprises nor the market was able to perform above the 26.0 percent proposed target.

Conversely, in 2023, amidst higher mortgage rates, the overall low-income refinance volume contracted sharply to approximately 160,000 loans, while total market refinance volume declined to about 397,000 loans.[38] This contraction in volume corresponded to a substantially higher low-income refinance market performance of 40.3 percent. The Enterprises' performance on the low-income refinance goal mirrored this pattern, with their low-income refinance percentages increasing significantly during this later period, even as the absolute volume of their low-income refinance mortgage purchases decreased.

Moreover, since the publication of the proposed rule, FHFA has observed declines in the 30-year mortgage rate in September and October. These rates correspond to expected increases in refinances for primary residences compared to the rest of 2025. With this surge in refinance activity, the Agency has already observed a decline in the rate of low-income refinance mortgages below the proposed benchmark. This performance is consistent with our expectations based on historical market performance.

Although mortgage rates are expected to decline during the 2026–2028 housing goals period, FHFA's model cannot forecast the low-income refinance market with a high degree of confidence due to the unpredictability of future interest rates and the strong sensitivity of refinance originations to interest rates. FHFA initially proposed to maintain the benchmark level at 26.0 percent, which is below the lower bound of the confidence interval in the market forecast used in the 2025–2027 final rule, to account for this uncertainty. Additionally, FHFA included the measurement buffer in the 2025–2027 final rule to enable the Enterprises to focus on meeting the market if mortgage rates decline more significantly than expected. Without a measurement buffer, FHFA believes that a 26.0 percent benchmark level may not be achievable if mortgage rates decline and the Enterprises need to focus on the market level to meet the goal.

TABLE 4—SINGLE-FAMILY LOW-INCOME REFINANCE GOAL

| Year | Historical performance | | | | 2025 | 2026 | 2027 | 2028 |
|---|---|---|---|---|---|---|---|---|
| | 2021 | 2022 | 2023 | 2024 | | | | |
| Actual Market | 26.1% | 37.3% | 40.3% | | | | | |
| Benchmark | 21.0% | 26.0% | 26.0% | 26.0% | 26.0% | 26.0% | 26.0% | 26.0% |
| **Fannie Mae Performance** | | | | | | | | |
| Low-Income Refinance Mortgages | 809,452 | 279,020 | 60,682 | 67,584 | | | | |
| Total Refinance Mortgages | 3,089,529 | 803,634 | 157,984 | 185,763 | | | | |
| Low-Income % of Refinance Mortgages | 26.2% | 34.7% | 38.4% | 36.4% | | | | |
| **Freddie Mac Performance** | | | | | | | | |
| Low-Income Refinance Mortgages | 658,845 | 254,332 | 54,906 | 61,557 | | | | |
| Total Refinance Mortgages | 2,651,858 | 686,394 | 127,043 | 186,266 | | | | |
| Low-Income % of Refinance Mortgages | 24.8% | 37.1% | 43.2% | 33.0% | | | | |

As shown in Table 4, both Enterprises performed well above the 26.0 percent benchmark level in 2022–2024, when mortgage rates were high, and FHFA does not expect Enterprise performance to decline significantly due to a lowered benchmark level if mortgage rates remain elevated.[39] Considering that the Enterprises have performed well above the benchmark level in the current high-interest rate environment, FHFA believes the 21.0 percent benchmark level in the final rule is reasonable and will enable the Enterprises to remain focused on both affordability and safety and soundness, even if mortgage rates decline significantly. Additionally, FHFA believes that setting the benchmark level where the market performed when mortgage rates were low eliminates the need for a measurement buffer for this goal.

In response to comments and after reassessing the historical performance and market trends, FHFA has determined that a benchmark level lower than 26.0 percent for the low-income refinance goal is appropriate. The Agency believes that this decision is responsive to concerns expressed by commenters in this rule and in response to the 2025–2027 proposed housing goals rule, and that a lower benchmark goal will be a more reasonable and achievable, yet still difficult, target if interest rates decline significantly. Therefore, in this final rule FHFA is setting the benchmark level for the low-income refinance goal at 21.0 percent,

[34] Refinance activity is significantly more sensitive to market interest rate changes than mortgages for new home purchases. This is because refinancing is discretionary—homeowners only proceed when prevailing rates are low enough to offer a clear financial benefit over their current mortgage. In contrast, purchase money mortgages are necessary for a transaction to occur, making their volume less sensitive to short-term rate fluctuations.

[35] *See* ''2026–2028 Enterprise Housing Goals,'' 90 FR 47652 (Oct. 2, 2025).

[36] *Ibid.*

[37] *Ibid.*

[38] *Ibid.*

[39] *See* ''2026–2028 Enterprise Housing Goals,'' 90 FR 47651 (Oct. 2, 2025).

which was the market performance during the 2020 refinance boom when mortgage rates were low.

## V. Multifamily Housing Goals and Subgoal

### *A. Factors Considered in Setting the Multifamily Housing Goal Benchmark Levels*

The Safety and Soundness Act requires FHFA to consider the following six factors in setting the multifamily housing goals:

1. National multifamily mortgage credit needs and the ability of the Enterprises to provide additional liquidity and stability for the multifamily mortgage market;
2. The performance and effort of the Enterprises in making mortgage credit available for multifamily housing in previous years;
3. The size of the multifamily mortgage market for housing affordable to low-income and very low-income families, including the size of the multifamily markets for housing of a smaller or limited size;
4. The ability of the Enterprises to lead the market in making multifamily mortgage credit available, especially for multifamily housing affordable to low-income and very low-income families;
5. The availability of public subsidies; and
6. The need to maintain the sound financial condition of the Enterprises.[40]

FHFA has considered each of these six statutory factors in setting the benchmark levels for each of the multifamily housing goals in this final rule.

### *B. Multifamily Housing Goals Comments and FHFA Determinations*

FHFA received comments on the multifamily housing goals recommendations from seven commenters, including trade associations, nonprofit organizations, and letters signed by multiple organizations. Nearly all of the commenters that provided feedback on the proposed multifamily housing goals benchmark levels supported the proposal to maintain the current multifamily low-income goal benchmark at 61.0 percent, maintain the current very low-income goal benchmark at 14.0 percent, and maintain the current small multifamily low-income subgoal benchmark at 2.0 percent. One trade association stated that the proposed housing goals appropriately reflect past performance of the Enterprises and maintain their focus on serving the low- and very low-income renter community. Another trade association stated that the proposed benchmarks strike an appropriate balance, ensuring the Enterprises fulfill their mission to promote affordability while continuing to provide liquidity across the broader multifamily market. These two trade associations strongly supported the proposal to maintain the small multifamily low-income subgoal at 2.0 percent, noting that this segment already benefits from robust private capital participation. Regarding the proposed very low-income goal, one trade association expressed support for the 14.0 percent benchmark given the past performance of the Enterprises and the critical need for housing for this income cohort.

Of the remaining commenters on the multifamily housing goals, one trade association suggested increasing the low-income goal due to the Enterprises' track record of exceeding the 61 percent benchmark and ongoing national shortages of affordable rental housing for low-income households. The group noted that the need for affordable rental housing is well-documented and growing. Another trade association stated that the low-income goal should only be increased if the single-family housing goals are similarly increased, so as not to create an imbalance between rental and homeownership opportunities.

All the comments on the proposed multifamily housing goal benchmark levels emphasized the importance of the role of the multifamily housing goals in the affordable rental housing finance market. One letter submitted on behalf of 28 organizations stated that the multifamily housing goals are important in addressing the affordable rental housing crisis. Another letter submitted on behalf of 17 organizations noted that the Enterprises back more than 40 percent of multifamily mortgage debt, giving them a critical role in supporting affordable rental housing.

Additionally, a trade association recommended that FHFA help the Enterprises balance their multifamily housing goals with providing liquidity support for market-rate units. The Agency agrees that the Enterprises should support both affordable and market-rate units. FHFA considers market-rate units when setting the cap on multifamily purchase volume (the Multifamily Volume Cap) and the percent of loans purchased that must be "mission-driven" affordable housing.[41] The Enterprise housing goals, however, are focused on families at or below specific AMI levels.

The recent performance of the Enterprises on each of the multifamily housing goals and subgoal is shown in the tables below. Note that for each of the multifamily goals and subgoal, starting in 2023, the benchmark metrics changed from the number of low-income units to the share of low-income units.

TABLE 5—MULTIFAMILY LOW-INCOME HOUSING GOAL

| Year | Historical performance | | | | 2025 | 2026 | 2027 | 2028 |
|---|---|---|---|---|---|---|---|---|
| | 2021 | 2022 | 2023 | 2024 | | | | |
| Low-Income Multifamily Benchmark | 315,000 | 415,000 | 61.0% | 61.0% | 61.0% | 61.0% | 61.0% | 61.0% |
| **Fannie Mae Performance** | | | | | | | | |
| Low-Income Multifamily Units | 384,488 | 419,361 | 317,032 | 270,357 | | | | |
| Total Multifamily Units | 557,152 | 542,347 | 415,513 | 398,661 | | | | |
| Low-Income % Total | 69.0% | 77.3% | 76.3% | 68.0% | | | | |
| **Freddie Mac Performance** | | | | | | | | |
| Low-Income Multifamily Units | 373,225 | 420,107 | 231,968 | 302,324 | | | | |
| Total Multifamily Units | 540,541 | 567,249 | 345,702 | 463,113 | | | | |
| Low-Income % of Total Units | 69.0% | 74.1% | 67.1% | 65.3% | | | | |

[40] 12 U.S.C. 4563(a)(4).

[41] FHFA establishes an annual cap on the multifamily purchase volume of each Enterprise. FHFA also establishes a percentage of multifamily purchases within the cap that must be "mission-driven," a defined term, that generally encompasses affordable and underserved market segments.

Table 5 shows the number and share of goal-qualifying low-income multifamily units in properties backing mortgages acquired by each Enterprise from 2021 through 2024.[42] In addition, the historical performance share average for the pre-pandemic years of 2017–2019 would have been 65.1 percent for Fannie Mae and 67.3 percent for Freddie Mac.[43]

TABLE 6—MULTIFAMILY VERY LOW-INCOME HOUSING GOAL

| Year | Historical performance | | | | 2025 | 2026 | 2027 | 2028 |
|---|---|---|---|---|---|---|---|---|
| | 2021 | 2022 | 2023 | 2024 | | | | |
| Very Low-Income Multifamily Benchmark | 60,000 | 88,000 | 12.0% | 12.0% | 14.0% | 14.0% | 14.0% | 14.0% |
| **Fannie Mae Performance** | | | | | | | | |
| Very Low-Income Multifamily Units | 83,459 | 127,905 | 77,509 | 57,796 | | | | |
| Total Multifamily Units | 557,152 | 542,347 | 415,513 | 398,661 | | | | |
| Very Low-Income % of Total Units | 15.0% | 23.6% | 18.7% | 14.5% | | | | |
| **Freddie Mac Performance** | | | | | | | | |
| Very Low-Income Multifamily Units | 87,854 | 127,733 | 71,217 | 70,795 | | | | |
| Total Multifamily Units | 540,541 | 567,249 | 345,702 | 463,113 | | | | |
| Very Low-Income % of Total Units | 16.3% | 22.5% | 20.6% | 15.3% | | | | |

Table 6 shows the number and share of goal-qualifying very low-income multifamily units as a percentage of the total goal-eligible units in properties backing mortgages acquired by each Enterprise from 2021 through 2024. In addition, the historical performance share average for the pre-pandemic years of 2017–2019 would have been 13.1 percent for Fannie Mae and 15.6 percent for Freddie Mac.[44]

TABLE 7—SMALL (5–50 UNITS) MULTIFAMILY LOW-INCOME SUBGOAL

| Year | Historical performance | | | | 2025 | 2026 | 2027 | 2028 |
|---|---|---|---|---|---|---|---|---|
| | 2021 | 2022 | 2023 | 2024 | | | | |
| Fannie Mae Small Low-Income Multifamily Benchmark | 10,000 | 17,000 | 2.5% | 2.5% | 2.0% | 2.0% | 2.0% | 2.0% |
| Freddie Mac Small Low-Income Multifamily Benchmark | 10,000 | 23,000 | 2.5% | 2.5% | 2.0% | 2.0% | 2.0% | 2.0% |
| **Fannie Mae Performance** | | | | | | | | |
| Small Low-Income Multifamily Units | 14,409 | 21,436 | 13,241 | 11,182 | | | | |
| Total Multifamily Units | 557,152 | 542,347 | 415,513 | 398,661 | | | | |
| Low-Income % of Total Multifamily Units | 2.6% | 4.0% | 3.2% | 2.8% | | | | |
| **Freddie Mac Performance** | | | | | | | | |
| Small Low-Income Multifamily Units | 31,913 | 27,103 | 14,006 | 15,639 | | | | |
| Total Multifamily Units | 540,541 | 567,249 | 345,702 | 463,113 | | | | |
| Low-Income % of Total Multifamily Units | 5.9% | 4.8% | 4.1% | 3.4% | | | | |

Table 7 shows Enterprise performance on this subgoal, including the previous numeric benchmark levels applicable through 2022 and the percentage-based metric that began in 2023. FHFA recognizes that the Enterprises have different business approaches to the small multifamily market segment, and that each Enterprise sets its own credit risk tolerance for these products. As a result, each Enterprise has performed very differently on this subgoal. Since 2021, Freddie Mac has exceeded Fannie Mae in terms of percentage share of total units and volume of low-income units in small (5–50) multifamily properties.

Based on the comments received and FHFA's consideration of the statutory factors, including the recent performance of the Enterprises and the market forecasts shown in the tables above, FHFA has determined that the benchmark levels for each of the multifamily housing goals and subgoal should be established at the levels proposed. FHFA believes that this approach will appropriately balance the objectives of the housing goals and the Multifamily Volume Cap. FHFA also agrees with commenters that maintaining the three multifamily goals at current levels is appropriate and believes that the benchmark levels support affordable housing.

*C. Simplify Enterprise Multifamily Goals and Targets*

One trade association encouraged FHFA to work towards harmonizing the multifamily affordable and mission-related goals of the Enterprises (including the housing goals that are the subject of this final rule and the annual ''mission-driven'' requirements associated with the Multifamily Volume Cap). According to the trade association, the Enterprises' multifamily businesses operate to meet two affordable housing targets every year, one based on unit

[42] 12 CFR 1282.16 (Special Counting Requirements).

[43] *See* ''2023–2024 Multifamily Enterprise Housing Goals,'' (Proposed Rule), 87 FR 50794, 50800 (Aug. 18, 2022), *available at https://www.federalregister.gov/documents/2022/08/18/2022-17868/2023-2024-multifamily-enterprise-housing-goals.*

[44] *See* ''2023–2024 Multifamily Enterprise Housing Goals,'' (Proposed Rule), 87 FR 50794, 50801 (Aug. 18, 2022), *available at https://www.govinfo.gov/content/pkg/FR-2022-08-18/pdf/2022-17868.pdf.*

count and the other based on a dollar volume limit with required minimum percentages. The commenter stated that this is a confusing process whereby each Enterprise must meet two different affordability frameworks.

FHFA has already taken measures to assist the Enterprises in coordinating their efforts with respect to these requirements. Both of these requirements help ensure that the Enterprises fulfill a different aspect of their statutory mission and charters, and each requirement serves low- and moderate-income families and underserved markets in different ways. For example, FHFA's 2023–2024 Multifamily Enterprise Housing Goals final rule established the benchmark levels for the multifamily housing goals based on a different methodology—the percentage of affordable units in multifamily properties financed by mortgages purchased by the Enterprise each year. FHFA believes this change simplifies the multifamily housing goals in a way that complements the Multifamily Volume Cap and enables the Enterprises to meet both targets more seamlessly. FHFA will continue to explore ways to coordinate and streamline the requirements of the various multifamily affordable and mission-related goals of the Enterprises while ensuring these goals are achieved.

## VI. Other Issues

### *A. 12866 Regulatory Impact & Single-Family Market Forecast Recommendations*

Five commenters responded to FHFA's regulatory impact analysis and 12866 significance determination. Overall, commenters expressed concern about evidence provided in FHFA's regulatory impact analysis. Advocacy groups opposed FHFA's estimated decrease in goal-qualified loans under the proposed rule, stating that the estimate is inaccurate and should incorporate the assumption that lenders will stop making loans to low-income borrowers if the housing goals were lowered. Additionally, nonprofit policy advocacy groups and trade associations asserted the regulatory impact analysis included insufficient data and over-relied on anecdotal evidence. For example, groups argued that several arguments lacked credible evidence, including claims by FHFA in the proposed rule that FHA, VA, and USDA loans may better meet borrowers' needs than Enterprise loans, and that the Enterprises have been turning away middle-class borrowers to meet housing goals.

One commenter, representing 28 national and state advocacy groups, believed FHFA included contradictory reasoning within the regulatory impact analysis. Specifically, the commenter noted, FHFA states that the Enterprises' acquisition of goal loans under the proposed rule will not change from current levels, yet also acknowledges a factor that could dissuade the Enterprises from acquiring the same volume of goal loans: the lower returns the Enterprises receive on housing-goal-qualifying loans. Other commenters urged FHFA to conduct further data-driven analysis of the proposed rule's impact to housing goal acquisitions. Advocacy groups also urged FHFA to study the effectiveness of housing goals in accomplishing statutory intent and provide empirical evidence to support FHFA's anecdotal claims before making further regulatory decisions. Some individual commenters suggested FHFA evaluate the effectiveness of the proposed rule post-implementation to learn and adjust for future rulemakings.

State and national policy advocacy groups also raised a series of data concerns with the market forecast model for single-family goals. First, groups recommended that FHFA avoid setting the benchmarks below historic and expected mortgage market level without sufficient evidence and model data to support the decisioning. Additional market forecast-related concerns include claims that the rule relies on the same data and market forecast used in the 2025–2027 rule, which set higher single-family benchmarks, but now reaches the opposite conclusion by lowering benchmarks. Individual commenters, advocacy groups, and trade associations urged FHFA to maintain a data-driven approach to setting the benchmarks, respecting the data integrity and analytical rigor in goal setting.

Responding to the first concern raised by advocacy groups that FHFA's regulatory impact analysis shows an inaccurate decrease in the number of loans to low-to moderate-income households over the next three years, FHFA considered impacts to loan deliveries across likely and unlikely scenarios. In accordance with OMB's Circular No. A–4, Executive Order 12866, 44 U.S.C. 3501–3521, and 31 U.S.C. 1105, FHFA provided an estimate of impact under a range of scenarios, to account for unforeseen factors including market uncertainty. While FHFA acknowledges stakeholder concerns regarding the estimated likely and unlikely impact as identified in the regulatory impact analysis, the Agency provided this analysis using the most up to date and accurate data available. Addressing the concern that lenders may not make loans to low- to moderate-income households without Enterprise backing, FHFA anticipates no reduction in Enterprise support for such loans and, as such, no adverse changes in lender activity. As articulated in the preamble to the proposed rule, both Enterprises have a statutory mandate to provide these loans, regardless of established benchmark levels.[45] Further, lenders have an economic incentive to purchase these loans due to pricing benefits, and these loans are profitable for the Enterprises to purchase.[46] Lastly, historical performance data demonstrates that the Enterprises are likely to deliver above the benchmark number, and more similar to the market.[47] Therefore, FHFA believes that the current benchmark levels will not lead to a reduction in support and instead will best promote homeownership.

FHFA acknowledges that certain statements in the proposed rule, when taken in isolation can be perceived as ''contradictory.'' However, FHFA finds it inappropriate to isolate these statements and not consider the full arguments articulated. For example, given the argument that FHFA makes contradictory statements about whether the Enterprises will purchase loans to low-income borrowers, the fact that goal qualifying loans can be less profitable for the Enterprises should not lead to the conclusion that the Enterprises will stop providing liquidity. Lenders and the Enterprises have clear statutory obligations and economic incentives to deliver loans to low- and moderate-income borrowers, such as spec pool trading pay-ups.[48] Addressing the concern about the lack of sufficient data on the benefit of the VA/RHS and FHA for low-income borrowers in comparison to Enterprise loans, FHFA provided a summary of how many low-income borrowers were served by VA/RHS and FHA loans in 2024 in the preamble to the proposed rule.[49] This evidence makes clear that non-Enterprise players have a valuable stake in serving low to moderate income borrowers. Concerning sentiments that FHA mortgages are not cheaper alternatives than Enterprise loans, FHFA does not agree that FHA loans are always a more expensive or less

[45] *See* ''2026–2028 Enterprise Housing Goals,'' 90 FR 47644 (Oct. 2, 2025).

[46] *Ibid.*

[47] *Ibid.*

[48] For further discussion please reference: See ''2026–2028 Enterprise Housing Goals,'' 90 FR 47644 (Oct. 2, 2025).

[49] *See* ''2026–2028 Enterprise Housing Goals,'' 90 FR 47642–3 (Oct. 2, 2025).

attractive alternative. Borrower costs and loan decisions depend on multiple factors that include credit risk, loan structure, expected tenure, down payment or closing cost constraints, and prevailing market conditions. For some borrowers, FHA products may be more attractive due to lower upfront cash requirements, underwriting flexibility, or other alignments with their financial circumstances. However, FHFA does acknowledge that there may be, on-net, increased costs for the group of borrowers shifting from Enterprise-backed mortgages to non-conventional mortgages as a result of this rule. FHA loans play a critical role in expanding access to mortgage credit and, along with VA/RHS, operate as part of a diverse system of federal housing finance programs rather than one with direct competitors or substitutes for Enterprise-backed products.

FHFA considered commenters' concerns about reliance on anecdotal evidence within 12866. FHFA acknowledges that empirical evidence provides a scientific basis for decision-making. However, the Agency notes that qualitative and anecdotal evidence can be an important source of decisioning, especially with limited data available on a problem.[50] FHFA intends to use its observations of how aggressively high housing goals lead to market distortions, crowding-out effects, and ''denominator-management,'' to spark further investigation and empirical research into these claims, although it is not prepared to commit to publishing any specific research or review at this time. Further, as noted above, FHFA's regulatory impact analysis did provide empirical evidence for the denominator management effect based on all available agency data which includes entire portfolio information from both Enterprises as well as a nationally representative sample of all residential mortgages in the United States.[51] This indicates that, on the margins, lenders may be turning away middle-class borrowers. Performance under the proposed benchmarks will provide FHFA with the additional empirical data necessary to further study the impact of the lowered benchmarks and gain more insight into the nature of our preliminary observations. Since 2013, FHFA has consistently increased the benchmarks for most single-family goals,[52] yet housing affordability continues to be a challenge for Americans. The Agency believes that this alternative approach may best meet the Agency's policy goals to ensure a liquid housing market for all Americans, while continuing to support lower-income families.

FHFA's decisioning behind setting the benchmarks below the historical and expected market delivery is aimed at addressing current market uncertainty with predictions. By setting most benchmarks at the low end of the model confidence interval, or just below the model estimates, FHFA provides flexibility for the Enterprises while still holding them to statutory obligations. FHFA considered the seven statutory factors in establishing the benchmarks, including the market forecast. However, FHFA weighed the evidence of the past performance of the Enterprises in achieving the benchmarks and the ability of the Enterprises to lead the industry, more heavily in its decisioning given Agency priorities. Instead of relying primarily on the uncertain single-family market forecast model, as in previous rulemakings, FHFA considered the model as one of many factors considered when setting the final benchmark levels. It is important to note that the Agency has never relied solely on the model output to set goals, and has set the housing goal benchmarks in the context of all the statutory factors. Therefore, FHFA finds the benchmarks appropriately balance flexibility and market forecast data to set the benchmarks at the proposed level.

*B. Regulatory Capacity & Accountability Mechanisms*

The agency received comments on how the proposed rule impacts regulatory capacity and function. Individual commenters and trade associations commended FHFA for its efforts to reduce regulatory burden, streamline processes, and enhance operational efficiency. They argued that the lower benchmarks appropriately balance statutory obligations with the need for greater efficiency in loan pricing and the minimization of duplication across the secondary mortgage market. Trade associations also praised FHFA's holistic approach in the proposed rule, highlighting the importance of ensuring optimal loan execution for borrowers in the market. In contrast, advocacy groups contended that there is insufficient evidence to demonstrate that the proposed changes will meaningfully improve operational efficiency or reduce regulatory burden for FHFA, the Enterprises, or the broader housing market.

National, state, and local advocacy groups emphasized that housing goals are a critical accountability mechanism for FHFA to ensure the Enterprises serve low- to moderate-income borrowers. These groups argued that the proposed single-family benchmarks weaken FHFA's regulatory authority and asserted that this accountability mechanism should be strengthened, not diminished, given current affordability challenges. Nonprofits and advocacy organizations also encouraged FHFA to take a more active role in adjusting policy in real time to reflect public needs and current housing conditions.

FHFA finds that the proposed rule will reduce regulatory burden. The Enterprises are likely to save on expenses associated with meeting and monitoring housing goals and responding to regulatory requests under a housing plan, as the lower benchmarks are more achievable given current and projected market conditions. By removing the complexity of multiple low-income area subgoals, the proposed rule provides the Enterprises with a clearer framework for underwriting, investment, pricing, and reporting. Evidence of the rule's potential to improve operational efficiency is presented in FHFA's regulatory impact analysis, which shows that the Enterprises are expected to issue approximately $72 billion in additional goal-eligible financing over 2026–2028 without incurring any expenses beyond those already anticipated under the 2025–2027 housing goal benchmark levels.[53]

The Agency agrees that the housing goals are a critical accountability mechanism to ensure the Enterprises serve low- to moderate-income borrowers. However, FHFA disagrees with commenters who suggested that lower benchmarks would diminish the Agency's ability to hold the Enterprises accountable for fulfilling statutory mandates. While FHFA acknowledges that the proposed single-family

[50] *See* Lim, W.M. ''What Is Qualitative Research? An Overview and Guidelines.'' (2024), *available at https://journals.sagepub.com/doi/10.1177/14413582241264619,* & Limb CJ. ''The Need for Evidence in an Anecdotal World. Trends Amplif.'' (2011), *available at https://pmc.ncbi.nlm.nih.gov/articles/PMC4040832/.*

[51] Significant Regulatory Action Assessment and Regulatory Impact Analysis for 2026–2028 Enterprise Housing Goals Proposed Rule (p. 13). Federal Housing Finance Agency, *available at https://www.fhfa.gov/sites/default/files/2025-10/2026-2028-enteprise-housing-goals-proposed-rule-regulatory-impact-analysis.pdf.*

[52] *See* U.S. Federal Housing, ''Housing Goals Performance Page,'' *available at https://www.fhfa.gov/programs/affordable-housing/housing-goals-performance.*

[53] Significant Regulatory Action Assessment and Regulatory Impact Analysis for 2026–2028 Enterprise Housing Goals Proposed Rule (p. 19). Federal Housing Finance Agency, *available at https://www.fhfa.gov/sites/default/files/2025-10/2026-2028-enteprise-housing-goals-proposed-rule-regulatory-impact-analysis.pdf.*

benchmarks are lower than recent single-family benchmarks, the rule maintains existing enforcement mechanisms to ensure that the Enterprises continue to support low- to moderate-income borrowers.[54] These mechanisms include civil money penalties, housing plans, final and preliminary determinations of compliance, ongoing monitoring of the Enterprises, and annual reporting requirements. FHFA, as conservator, also has additional tools to ensure the Enterprises are supporting liquidity for low- to moderate-income families and it is FHFA's intention that the housing goal benchmarks do not represent a cap on loan purchases.

FHFA also agrees with commenters that FHFA should adjust policy in real time to reflect public needs and current housing conditions. FHFA is committed to actively evaluating policy and the benchmarks to reflect public needs and current housing conditions, as demonstrated by the decision to issue the proposed rule. The Agency plans to assess the impact of the proposed single-family benchmarks on borrowers and will adjust future policy decisions accordingly. FHFA will also assess whether more frequent rulemakings for housing goals benchmark setting would be appropriate and better reflect changing market conditions and respond to market uncertainty.

*C. Measurement Buffer Recommendations*

The Agency received comments regarding the application of measurement buffers and the setting of benchmarks within the housing goals framework. An industry trade group strongly urged the retention of measurement buffers, arguing that they are essential to mitigate market distortions and the challenges posed by using lagged, potentially year-old data to set static goals. The group noted the housing industry's sensitivity to rapid shifts in interest rates, volumes, and macroeconomic conditions, asserting that buffers help ensure goal compliance when goal levels and actual market production are misaligned, specifically suggesting the benefit for the single-family low-income refinance goal. Similarly, an advocacy coalition voiced concern over removal of the measurement buffers and factored increasing the benchmark and maintaining the buffers to ensure lower-income borrowers have reduced access to liquidity. The coalition believed that lowering the benchmark could permit the Enterprises to allocate a significantly smaller share of activity to goals-eligible loans than the market overall.

The Agency agrees that misalignment between the goal levels and actual market production may result in unintended consequences, particularly for the low-income refinance goal due to its heightened sensitivity to outside changes. Based on commenters' feedback, as discussed above, FHFA has adjusted the low-income refinance goal to the same level that was in place in prior periods of low-interest rates. Additionally, the Enterprises may be in compliance with housing goals if they meet the market, which is determined retrospectively, is not static, and accurately represents overall market performance. FHFA believes that having a market-level compliance standard and implementing the revised benchmark will mitigate any unintended market distortions. FHFA disagrees that the benchmarks will result in the Enterprises purchasing a smaller share of goal qualifying loans. Based on historical data, and, as discussed in the preamble to the proposed rule and above, the Enterprises have performed above benchmarks and have incentives to continue to purchase loans made to low-income borrowers.

*D. Notice of Determination of Compliance With Housing Goals*

The current housing goals regulation requires FHFA to provide each Enterprise with a preliminary determination of the Enterprise's performance each year, whether the Enterprise has met its housing goals or not. The proposed rule sought to simplify FHFA's process for issuing preliminary and final determination letters by eliminating the requirement for FHFA to issue a preliminary determination letter if an Enterprise has met all of the housing goals for that year. As revised, FHFA would be required to provide a preliminary determination to an Enterprise only if the Enterprise failed to meet one or more of its housing goals for the year.

FHFA did not receive any substantive comments on the proposed revision to the process for issuing preliminary and final determination letters. If an Enterprise has met the housing goals, it is not necessary for the Enterprise to provide additional information in order for FHFA to reach a final determination. Issuing a preliminary determination letter in that situation creates unnecessary paperwork, without a corresponding procedural benefit. The final rule therefore revises section 1282.20(b) so that a preliminary determination letter is required only if an Enterprise has failed, or that there is a substantial probability that an Enterprise will fail, to meet any housing goal or subgoal.

*E. Technical Changes*

The proposed rule included several technical changes to conform the language used in the regulation with FHFA's current processes and with commonly-used terminology. FHFA did not receive any substantive comments on the proposed technical changes. For the reasons stated in the preamble to the proposed rule and summarized below, the final rule adopts each of the proposed technical changes.

FHFA often uses the terms ''low-income home purchase goal'' and ''very low-income home purchase goal'' to refer to the low-income families housing goal and the very low-income families housing goal, respectively, described in 12 CFR 1282.12(c) and (d). Similarly, FHFA uses the term ''low-income areas home purchase goal'' to refer to the low-income areas housing goal described in 12 CFR 1282.12(e). FHFA typically refers to the refinancing housing goal in 12 CFR 1282.12(h) as the ''low-income refinance goal.'' The final rule adopts each of these changes to the names of the various housing goals in the relevant paragraphs.

The final rule also revises section 1282.12(e) to specify that FHFA will publish the annual notice establishing the benchmark level for the low-income areas home purchase goal on FHFA's website. This change is consistent with FHFA's current practice for notices and determinations related to the Enterprise housing goals.

Finally, the final rule updates how the benchmark levels are expressed in the regulation. The current regulation does not include any decimals in the benchmark levels. For example, the benchmark for the low-income families home purchase goal is expressed as ''25 percent'' rather than ''25.0 percent.'' FHFA has an established practice has been to determine Enterprise performance on the housing goals at the first decimal. Updating the numeric expression of the benchmark levels in the regulation is a technical, non-substantive change that better aligns the rule language with existing practice, and reduces the possibility of confusion. The final rule therefore updates the numeric expression of each benchmark level to include the first digit after the decimal for each of the single-family and multifamily benchmark levels.

[54] *See* U.S. Federal Housing, ''Housing Goals Performance Page,'' *available at https://www.fhfa.gov/programs/affordable-housing/housing-goals-performance.*

### *F. Required Adjustments To Maximum Civil Money Penalty Amounts*

The Safety and Soundness Act authorizes FHFA to seek civil money penalties to enforce several requirements related to the Enterprise and Bank housing goals. These civil money penalties are subject to the Federal Civil Penalties Inflation Adjustment Act Improvements Act of 2015 (Adjustment Improvements Act), which amended the Federal Civil Penalties Inflation Adjustment Act of 1990 by establishing a mechanism for regular adjustment for inflation of civil money penalties.[55]

The proposed rule would have made explicit the mandatory inflation adjustments required by law. Additional detail on the calculation method used by FHFA to determine the new maximum civil money penalty amounts. FHFA did not receive any substantive comments on the proposed changes related to the maximum amounts for any civil money penalties that may be assessed in connection with the Bank or Enterprise housing goals. The final rule adopts the changes to the relevant sections as proposed. The new maximum civil money penalty amounts are set out in this table, summarizing the changes made by this final rule:

| U.S. Code citation | Description | Adjusted maximum penalty amount |
|---|---|---|
| 12 U.S.C. 4585(b)(1) | Maximum penalty for failure described in 1345(a)(1), for each day that the failure occurs | 145,754 |
| 12 U.S.C. 4585(b)(2) | Maximum penalty for failure described in 1345(a)(2), (3), or (4), for each day that the failure occurs | 72,876 |

These new maximum civil money penalty amounts will apply prospectively to any civil money penalty action initiated in connection with the Bank or Enterprise housing goals after the effective date of this final rule. The final rule revises sections 1209.1(c)(4), 1209.80, 1209.81, 1281.15(f), and 1282.22 to make clear that the new maximum penalty amounts above apply to any civil money penalties in connection with the Enterprise or Bank housing goals.

## VII. Considerations of Differences Between the Banks and the Enterprises

When promulgating regulations relating to the Banks, section 1313(f) of the Safety and Soundness Act requires the Director of FHFA to consider the differences between the Banks and the Enterprises with respect to the Banks' cooperative ownership structure; mission of providing liquidity to members; affordable housing and community development mission; capital structure; and joint and several liability. FHFA, in preparing this final rule, considered the differences between the Banks and the Enterprises as they relate to the above factors. FHFA also considered these differences in light of section 10C of the Bank Act, which requires that the Bank housing goals be consistent with the Enterprise housing goals, with consideration of the unique mission and ownership structure of the Banks.

## VIII. Regulatory Impact

### *A. Paperwork Reduction Act*

Under the Paperwork Reduction Act of 1995 (PRA), the Office of Management and Budget (OMB) must ''review and approve proposed agency collections of information.'' *See* 44 U.S.C. 3504(c)(1). OMB has determined that the Enterprise reporting requirements in Subpart D of Part 1282 constitute a ''collection of information'' for purposes of the PRA. FHFA has submitted a request for emergency authorization for the information collection pursuant to 5 CFR 1320.13, and OMB has approved the request. FHFA may publish additional notice via a separate **Federal Register** notice following the issuance of this final rule.

### *B. Regulatory Flexibility Act*

The Regulatory Flexibility Act (5 U.S.C. 601 *et seq.*) requires that a regulation that has a significant economic impact on a substantial number of small entities, small businesses, or small organizations must include an initial regulatory flexibility analysis describing the regulation's impact on small entities. Such an analysis need not be undertaken if the agency has certified that the regulation will not have a significant economic impact on a substantial number of small entities. 5 U.S.C. 605(b). FHFA has considered the impact of the final rule under the Regulatory Flexibility Act. FHFA certifies that the final rule will not have a significant economic impact on a substantial number of small entities because the rule applies to Fannie Mae, Freddie Mac, and the Federal Home Loan Banks, which are not small entities for purposes of the Regulatory Flexibility Act.

### *C. Congressional Review Act and Executive Order 12866, Regulatory Planning and Review*

The Office of Management and Budget, Office of Information and Regulatory Affairs (OIRA) has determined the final rule meets the definition of ''major rule'' in the Congressional Review Act at 5 U.S.C. 804(2). OIRA also has determined that this rule is economically significant under subsection 3(f)(1) of Executive Order 12866. FHFA submitted a regulatory impact analysis to OIRA, which reviewed the potential costs and benefits of the final rule. The analysis is available on FHFA's rulemaking website *https://www.fhfa.gov/regulation/rulemaking* and is part of the docket file for this final rule.

### *D. Executive Order 13563: Improving Regulation and Regulatory Review*

Executive Order 13563 directs agencies to analyze regulations that are ''outmoded, ineffective, insufficient, or excessively burdensome, and to modify, streamline, expand, or repeal them in accordance with what has been learned.'' Executive Order 13563 also directs that, where relevant, feasible, and consistent with regulatory objectives, and to the extent permitted by law, agencies are to identify and consider regulatory approaches that reduce burdens and maintain flexibility and freedom of choice for the public. FHFA has developed this final rule in a manner consistent with these requirements.

### *E. Executive Order 14192: Unleashing Prosperity Through Deregulation*

Executive Order 14192 requires that for each new regulation issued, at least 10 existing regulations be identified for elimination. Executive Order 14192 also directs that any new incremental costs associated with new regulations shall, to the extent permitted by law, be offset by

[55] Federal Civil Penalties Inflation Adjustment Act Improvements Act of 2015, Public Law 114–74, title VII, sec. 701, 129 Stat. 599 (28 U.S.C. 2461 note) (2015), *available at https://www.govinfo.gov/content/pkg/PLAW-114publ74/pdf/PLAW-114publ74.pdf.*

the elimination of existing costs associated with at least 10 prior regulations. FHFA's implementation of these requirements will be informed by M–25–20, Guidance Implementing Section 3 of Executive Order 14192, Titled ''Unleashing Prosperity Through Deregulation'' (March 26, 2025). This final rule is expected to be an Executive Order 14192 deregulatory action although the cost savings are unquantified.

**IX. Severability**

The final rule makes explicit FHFA's intent that all provisions of the Enterprise housing goals regulation be severable by adding a severability clause, as new 12 CFR 1282.11(c). The regulation contains many thematically related but ultimately independent regulatory requirements, each of which can function independently. For example, FHFA establishes each goal and subgoal independently from one another, utilizing separate formulas and consideration of differing statutory factors. If one goal or subgoal is found to be invalid or unenforceable for any reason, it is FHFA's intention that the remaining goals continue in effect. Adding a severability clause to the regulation ensures that each of the distinct policy objectives in the regulation will be realized to the greatest extent possible.

**List of Subjects**

*12 CFR Part 1209*

Administrative practice and procedure, Penalties.

*12 CFR Part 1281*

Credit, Federal home loan banks, Housing, Mortgages, Reporting and recordkeeping requirements.

*12 CFR Part 1282*

Mortgages, Reporting and recordkeeping requirements.

Accordingly, for the reasons stated in the preamble, under the authority of 12 U.S.C. 4526, FHFA amends parts 1209, 1281, and 1282 of title 12 of the Code of Federal Regulations, as follows:

## PART 1209—RULES OF PRACTICE AND PROCEDURE

■ 1. The authority citation for part 1209 continues to read as follows:

**Authority:** 5 U.S.C. 554, 556, 557, and 701 *et seq.;* 12 U.S.C. 1430c(d); 12 U.S.C. 4501, 4502, 4503, 4511, 4513, 4513b, 4517, 4526, 4566(c)(1) and (c)(7), 4581–4588, 4631–4641; and 28 U.S.C. 2461 note.

■ 2. Revise § 1209.1(c)(4) to read as follows:

**§ 1209.1 Scope.**

* * * * *

(c) * * *

(4) Enforcement proceedings under sections 1341 through 1348 of the Safety and Soundness Act, as amended (12 U.S.C. 4581 through 4588), and section 10C of the Federal Home Loan Bank Act, as amended (12 U.S.C. 1430c), except where the Rules of Practice and Procedure in subpart C are inconsistent with such statutory provisions or with part 1281 or 1282 of this title, in which case the statutory or regulatory provisions shall apply.

■ 3. Revise § 1209.80 to read as follows:

**§ 1209.80 Inflation adjustments.**

The maximum amount of each civil money penalty within FHFA's jurisdiction, as set by the Safety and Soundness Act and thereafter adjusted in accordance with the Inflation Adjustment Act, is as follows:

TABLE 1 TO § 1209.80

| U.S. Code citation | Description | Catch-up adjusted maximum penalty amount |
|---|---|---|
| 12 U.S.C. 4636(b)(1) | First Tier | $14,575 |
| 12 U.S.C. 4636(b)(2) | Second Tier | 72,876 |
| 12 U.S.C. 4636(b)(4) | Third Tier (Regulated Entity or Entity-Affiliated party) | 2,915,057 |
| 12 U.S.C. 4585(b)(1) | Maximum penalty for failure described in section 1345(a)(1), for each day that the failure occurs | 145,754 |
| 12 U.S.C. 4585(b)(2) | Maximum penalty for failure described in section 1345(a)(2), (3), or (4), for each day that the failure occurs. | 72,876 |

■ 4. Revise § 1209.81 to read as follows:

**§ 1209.81 Applicability.**

(a) *Applicability to penalties under 12 U.S.C. 4636.* The inflation adjustments set out in § 1209.80 for 12 U.S.C. 4636 shall apply to civil money penalties assessed in accordance with the provisions of the Safety and Soundness Act, 12 U.S.C. 4636, and subparts B and C of this part, for violations occurring on or after January 15, 2025.

(b) *Applicability to penalties under 12 U.S.C. 4585.* The inflation adjustments set out in § 1209.80 for 12 U.S.C. 4585 shall apply to civil money penalties assessed under the provisions of the Safety and Soundness Act, 12 U.S.C. 4585 and subpart C of this part. The inflation adjusted maximum civil money penalty amounts shall apply to violations occurring on or after the effective date of this section.

## PART 1281—FEDERAL HOME LOAN BANK HOUSING GOALS

■ 5. The authority citation for part 1281 continues to read as follows:

**Authority:** 12 U.S.C. 1430, 1430b, 1430c, 1431.

**§ 1281.15 [Amended]**

■ 6. In § 1281.15(f), add the phrase ''and applicable provisions in part 1209 of this title'' after ''in 12 U.S.C. 4581 through 4588'' in the last sentence.

## PART 1282—ENTERPRISE HOUSING GOALS AND MISSION

■ 7. The authority citation for part 1282 continues to read as follows:

**Authority:** 12 U.S.C. 4501, 4502, 4511, 4513, 4526, 4561–4566.

■ 8. Amend § 1282.11 by:
■ a. Revising paragraph (a)(1); and
■ b. Adding paragraph (c).

The revision and addition read as follows:

**§ 1282.11 General.**

(a) * * *

(1) Three single-family owner-occupied purchase money mortgage housing goals, a single-family owner-occupied purchase money mortgage housing subgoal, a single-family refinancing mortgage housing goal, two multifamily housing goals, and a multifamily housing subgoal;

* * * * *

(c) *Severability.* FHFA intends the various provisions of this part to be separate and severable from one another. If any provision of this part, or any application of a provision, is stayed or determined to be invalid or unenforceable, the remaining provisions or applications will continue in effect.

■ 9. Amend § 1282.12 by:

■ a. Revising the heading to paragraph (c) introductory text and paragraph (c)(2);

■ b. Revising the heading to paragraph (d) introductory text and paragraph (d)(2);

■ c. Revising the heading to paragraph (e) introductory text and paragraph (e)(2);

■ d. Revising paragraph (f);

■ e. Removing paragraph (g);

■ f. Redesignating paragraph (h) as paragraph (g); and

■ g. Revising the heading to newly designated paragraph (g) and paragraph (g)(2). The revisions read as follows:

**§ 1282.12 Single-family housing goals.**

* * * * *

(c) *Low-income home purchase goal.* * * *

(2) The benchmark level, which for 2026, 2027, and 2028 shall be 21.0 percent of the total number of purchase money mortgages purchased by that Enterprise in each year that finance owner-occupied single-family properties.

(d) *Very low-income home purchase goal.* * * *

(2) The benchmark level, which for 2026, 2027, and 2028 shall be 3.5 percent of the total number of purchase money mortgages purchased by that Enterprise in each year that finance owner-occupied single-family properties.

(e) *Low-income areas home purchase goal.* * * *

(2) A benchmark level which shall be set annually by FHFA by notice based on the benchmark level for the low-income areas home purchase subgoal, plus an adjustment factor reflecting the additional incremental share of mortgages for moderate-income families in designated disaster areas in the most recent year for which such data is available. FHFA will make the notice available on FHFA's website, *www.fhfa.gov.*

(f) *Low-income areas home purchase subgoal.* The percentage share of each Enterprise's total purchases of purchase money mortgages on owner-occupied single-family housing that consists of mortgages for families in low-income census tracts or for moderate-income families in minority census tracts shall meet or exceed either:

(1) The share of such mortgages in the market as defined in paragraph (b) of this section in each year; or

(2) The benchmark level, which for 2026, 2027, and 2028 shall be 16.0 percent of the total number of purchase money mortgages purchased by that Enterprise in each year that finance owner-occupied single-family properties.

(g) *Low-income refinance goal.* * * *

(2) The benchmark level, which for 2026, 2027, and 2028 shall be 21.0 percent of the total number of refinancing mortgages purchased by that Enterprise in each year that finance owner-occupied single-family properties.

* * * * *

**§ 1282.13 [Amended]**

■ 10. Amend § 1282.13 by:

■ a. In paragraph (b), removing the phrase ''61 percent'' and adding in its place the phrase ''61.0 percent'', and removing the phrase ''for 2025, 2026, and 2027'' and adding in its place the phrase ''for 2026, 2027, and 2028'';

■ b. In paragraph (c), removing the phrase ''14 percent'' and adding in its place the phrase ''14.0 percent'', and removing the phrase ''for 2025, 2026, and 2027'' and adding in its place the phrase ''for 2026, 2027, and 2028''; and

■ c. In paragraph (d), removing the phrase ''2 percent'' and adding in its place the phrase ''2.0 percent'', and removing the phrase ''for 2025, 2026, and 2027'' and adding in its place the phrase ''for 2026, 2027, and 2028''.

**§ 1282.15 [Amended]**

■ 11. In § 1282.15(b)(2), remove the word ''subgoals'' and add in its place the word ''subgoal''.

■ 12. Revise § 1282.20 to read as follows:

**§ 1282.20 Preliminary determination of compliance with housing goals; notice of preliminary determination.**

(a) *Preliminary determination.* On an annual basis, the Director will evaluate each Enterprise's performance under each single-family housing goal and subgoal and each multifamily housing goal and subgoal.

(b) *Notice of preliminary determination.* If the Director preliminarily determines that an Enterprise has failed, or that there is a substantial probability that an Enterprise will fail, to meet any housing goal or subgoal, the Director will provide written notice to the Enterprise of the preliminary determination of its performance under each housing goal and subgoal established by this subpart, before public disclosure of the preliminary determination. The written notice will include the reasons for such determination, and the information on which the Director based the determination.

(c) *Response by Enterprise.* Any notification to an Enterprise of a preliminary determination under this section will provide the Enterprise with an opportunity to respond in writing in accordance with the procedures at 12 U.S.C. 4566(b)(1) and (2). Relevant information in a timely written response from an Enterprise will be included in the information the Director considers when making a determination of housing goals compliance under § 1282.21.

■ 13. Revise § 1282.21 to read as follows:

**§ 1282.21 Determination of compliance with housing goals, notice of determination.**

(a) *Determination.* On an annual basis, the Director will make a final determination of each Enterprise's performance under each single-family housing goal and subgoal and each multifamily housing goal and subgoal. The determination will address whether an Enterprise has failed, or there is a substantial probability that an Enterprise will fail, to meet any housing goal or subgoal and whether the achievement of that housing goal or subgoal was or is feasible.

(b) *Notice of determination.* The Director will provide each Enterprise with written notification of the determination in accordance with the procedures at 12 U.S.C. 4562(f) and 12 U.S.C. 4566(b)(3). If the Enterprise has met each of the housing goals and subgoals, the notification will provide the Enterprise with an opportunity to comment on the determination during the 30-day period beginning upon receipt of the notification by the Enterprise. If the Enterprise has failed, or there is a substantial probability that an Enterprise will fail, to meet any housing goal or subgoal that FHFA determines was or is feasible, the notification will specify whether the Enterprise is required to submit a housing plan for approval under § 1282.22.

**§ 1282.22 [Amended]**

■ 14. Amend § 1282.22 by:

■ a. Removing paragraph (b);

■ b. Redesignating paragraphs (c), (d), (e), (f), (g) as paragraphs (b), (c), (d), (e), (f); and

■ c. In newly redesignated paragraph (f) removing ''in accordance with 12 U.S.C. 4581,'' and adding in its place the word ''or'' and removing ''12 U.S.C. 4585'' and adding in its place ''12 U.S.C. 4581 through 4585 and applicable provisions in part 1209 of this title''.

* * * * *

**Clinton Jones,**

*General Counsel, Federal Housing Finance Agency.*

[FR Doc. 2025–23746 Filed 12–22–25; 8:45 am]

**BILLING CODE 8070–01–P**

## DEPARTMENT OF TRANSPORTATION

### Federal Aviation Administration

### 14 CFR Part 71

**[Docket No. FAA–2025–1159; Airspace Docket No. 25–AGL–5]**

**RIN 2120–AA66**

## Amendment of VOR Federal Airway V–300; Northcentral United States

**AGENCY:** Federal Aviation Administration (FAA), DOT.

**ACTION:** Final rule.

**SUMMARY:** This action amends Very High Frequency Omnidirectional Range (VOR) Federal Airway V–300 due to the relocation of the Wiarton, Ontario (ON), Canada, VOR/Distance Measuring Equipment (VOR/DME) navigational aid (NAVAID). This action is in support of NAV CANADA's NAVAID Modernization Program.

**DATES:** Effective date 0901 UTC, March 19, 2026. The Director of the Federal Register approves this incorporation by reference action under 1 CFR part 51, subject to the annual revision of FAA Order JO 7400.11 and publication of conforming amendments.

**ADDRESSES:** A copy of the notice of proposed rulemaking (NPRM), all comments received, this final rule, and all background material may be viewed online at *www.regulations.gov* using the FAA Docket number. Electronic retrieval help and guidelines are available on the website. It is available 24 hours each day, 365 days each year. An electronic copy of this document may also be downloaded from *www.federalregister.gov.*

FAA Order JO 7400.11K, Airspace Designations and Reporting Points, and subsequent amendments can be viewed online at *www.faa.gov/air_traffic/publications/.* You may also contact the Rules and Regulations Group, Policy Directorate, Federal Aviation Administration, 600 Independence Avenue SW, Washington, DC 20597; telephone: (202) 267–8783.

**FOR FURTHER INFORMATION CONTACT:** Brian Vidis, Rules and Regulations Group, Policy Directorate, Federal Aviation Administration, 600 Independence Avenue SW, Washington, DC 20597; telephone: (202) 267–8783.

**SUPPLEMENTARY INFORMATION:**

### Authority for This Rulemaking

The FAA's authority to issue rules regarding aviation safety is found in Title 49 of the United States Code. Subtitle I, Section 106 describes the authority of the FAA Administrator. Subtitle VII, Aviation Programs, describes in more detail the scope of the agency's authority. This rulemaking is promulgated under the authority described in Subtitle VII, Part A, Subpart I, Section 40103. Under that section, the FAA is charged with prescribing regulations to assign the use of the airspace necessary to ensure the safety of aircraft and the efficient use of airspace. This regulation is within the scope of that authority as it modifies the National Airspace System as necessary to preserve the safe and efficient flow of air traffic.

### History

The FAA published an NPRM for Docket No. FAA–2025–0141 in the **Federal Register** (90 FR 25173; June 16, 2025), proposing to amend VOR Federal Airway V–300 due to the planned relocation of the Wiarton, ON, Canada, VOR/DME NAVAID. Interested parties were invited to participate in this rulemaking effort by submitting written comments on the proposal. One comment was received.

The commenter suggested the FAA validate the 25–AGL–5 Airspace Docket Number used in the NPRM to ensure it was correct. The commenter also suggested validating the distance of the Wiarton, ON, Canada, VOR/DME relocation that was published in the NPRM. Additionally, the commenter offered that the magnetic radial (called bearings in the comment) values listed to describe the RIBIR, IILND, and MRUCI fixes in the V–300 description in the NPRM were incorrect and should have been lower than the companion true radials they were listed with instead of being larger. Finally, the commenter stated the CFNKB computer navigation fix (CNF) on the United States (U.S.)/Canada border that was listed in the NPRM should have been spelled CYNKB as contained in FAA Order JO 7400.11 and on the Detroit sectional.

The FAA reviewed each of the items raised by the commenter and offers the following in response. The 25–AGL–5 Airspace Docket Number was assigned by the Central Service Center, Operations Support Group in accordance with FAA Order JO 7400.2 and was determined to be correct as published in the NPRM.

With respect to the distance the Wiarton, ON, Canada, VOR was relocated, the FAA received the geographic latitude and longitude coordinates from NAV CANADA for the original and new locations of the VOR. Upon review, the distance of the VOR relocation was calculated to be just over 135 feet West-Southwest from the original location instead of approximately 80 feet West of the original location as specified in the NPRM. That information has been updated.

In determining the true and magnetic radials for the RIBIR, IILND, and MRUCI fixes in the V–300 description, the FAA used the most recent magnetic variation values associated with the Sault Ste Marie, MI, VOR/DME and the Pellston, MI, VOR/Tactical Air Navigation (VORTAC) NAVAIDs. The magnetic variation for the Sault Ste Marie VOR/DME is 4° West and for the Pellston VORTAC is 6° West. When calculating magnetic radials using counterpart true radials, West magnetic variation values are added to the true radial value; whereas East magnetic variation values are subtracted from the true radial value. The true and magnetic radials listed for the RIBIR, IILND, and MRUCI fixes in the V–300 description in the NPRM were correct as published. However, for awareness, the FAA only publishes true radial values in final rules.

Lastly, the FAA verified that the CFNKB CNF located on the U.S./Canada border was spelled correctly in the NPRM and matches the CNF information currently contained in the FAA's National Airspace System Resource database and as published on the IFR Enroute Low Altitude L–31 chart. CNFs are not published in FAA Order JO 7400.11 or on sectional charts.

### Incorporation by Reference

VOR Federal Airways are published in paragraph 6010(a) of FAA Order JO 7400.11, Airspace Designations and Reporting Points, which is incorporated by reference in 14 CFR 71.1 on an annual basis. This document amends the current version of that order, FAA Order JO 7400.11K, dated August 4, 2025, and effective September 15, 2025. These amendments will be published in the next update to FAA Order JO 7400.11. FAA Order JO 7400.11K, which lists Class A, B, C, D, and E airspace areas, air traffic service routes, and reporting points, is publicly available as listed in the **ADDRESSES** section of this document.