

Fannie Mae Expanding Affordable Housing Opportunities

HUD Fair Housing
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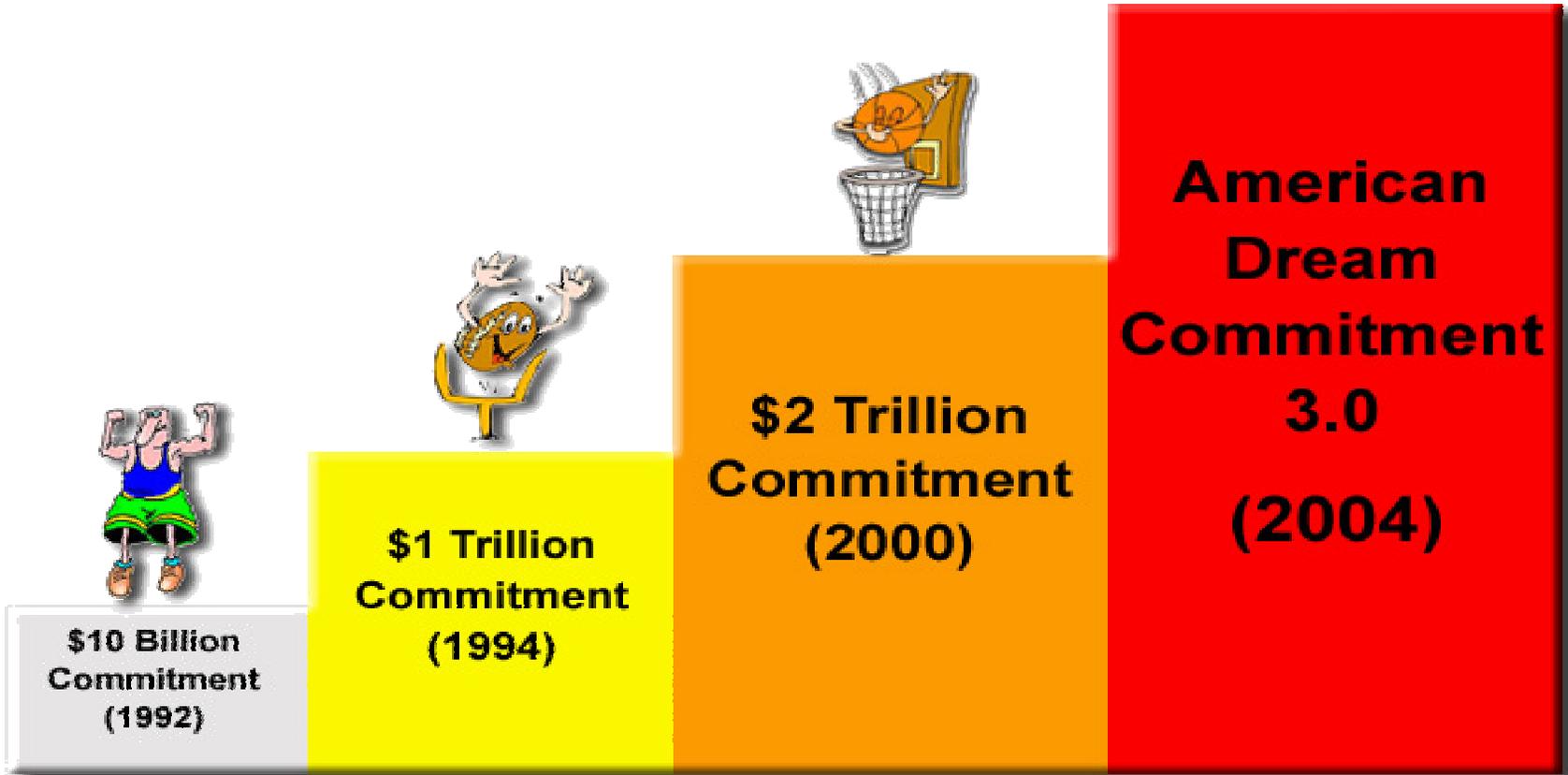
Our Mission

We at Fannie Mae are in the
American Dream business.

Our mission is to **tear down barriers, lower costs, and increase the opportunities** for homeownership and affordable rental housing for all Americans.

Because having a safe place to call home strengthens families, communities, and our nation as a whole.

Tradition of Big, Hairy, Audacious Goals: Transforming Our Business



Three Organizing Principles for the Expanded *ADC*

Put people into homes

Keep people in their homes

**Expand the supply of housing where
needed most**

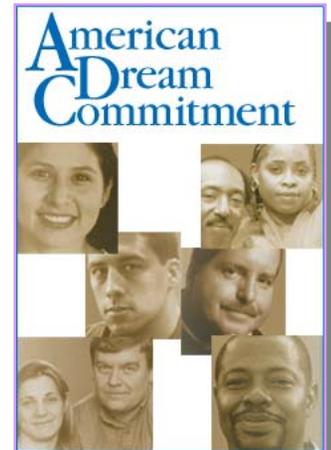
Expanded *American Dream* Commitment: Headline Goals

Minority Homeownership Rate: 55%
Ultimate goal to close gap entirely

First-Time Home Buyers: 6.0 million

Minority First-Time Home Buyers: 1.8 million

1,000 Communities



Expand Homeownership for Millions of First-Time Homebuyers

- Reduce mortgage origination costs by \$500
- Double mortgage financing to people with disabilities from 10,000 to 20,000.
- Expand number of Faith-Based Partnerships from 100 to 250 over the decade
- Serve 1,000,000 Home Counselor Online customers and link up 5,000 counseling agencies

Leverage Technology for the Benefit of the Counseling Industry

- Home Counselor Online – Web-based software application for housing counselors
 - Flexible, easy-to-use tool
 - Help more families obtain mortgage credit easier, faster, and more effectively
 - Make it easier and less costly to provide access to automated underwriting, products, and services
 - Develops a pipeline of “ready” consumers for lenders
 - Help keep families in their homes



Keep People in Their Homes

- **Provide state-of-the-art tools to support counselors and lenders through a new post-purchase counseling module on Home Counselor Online**
- **Implement new policies to ban mandatory arbitration clauses, prohibit certain prepayment penalties & balloon payments, and establish policies for responsible servicing practices**
- **Expand to 50 our initiatives to prevent predatory lending or help refinance victims of predatory loans and provide \$5 million to support the overall initiative**

Crafting Anti-Predatory Lending Solutions with Local partners

- Anti-predatory lending refinance underwriting experiments
 - Help keep victims of predatory lending in their homes
 - Refinance victims into loans they can afford to repay
 - In partnership with lenders, local nonprofits, legal aid
 - Nearly \$100M in commitments in 26 communities
- Borrow with Confidence Campaigns
 - Partnerships with REALTORS and lenders to educate REALTORS about alternative responsible products for borrowers with impaired credit

Key Ingredients of an Anti-Predatory Refinance Experiment

- Customized solution -- understand predatory lending and its victims in a community
- Strong collaborative partners
 - Lenders
 - Housing counseling/education
 - Legal aid or other legal resources
 - Fannie Mae
- Affordability strategy/tools
 - Local subsidy sources for gap/rehab funds
 - Work to reduce original loan amount
- Product flexibility around credit
- Education and counseling

Expand the Supply of Housing Where Needed Most

- **Recommit to serve as the nation's largest investor in rental housing, with investments of more than \$200 billion in multifamily housing including \$40 billion in small multifamily**
- **Launch a “workforce housing initiative” with the National Association of Home Builders and work with 1,000 employers to provide Employer-Assisted Housing Benefits**
- **Increase commitment for low- and moderate-income rural borrowers to \$130 billion**
- **Target efforts to improve communities in the Mississippi Delta, Alabama Black Belt, the Great Plains, Appalachia, and the Colonias**
- **\$1.25 billion on Native American Lands and 10 new Native American strategic partnerships**

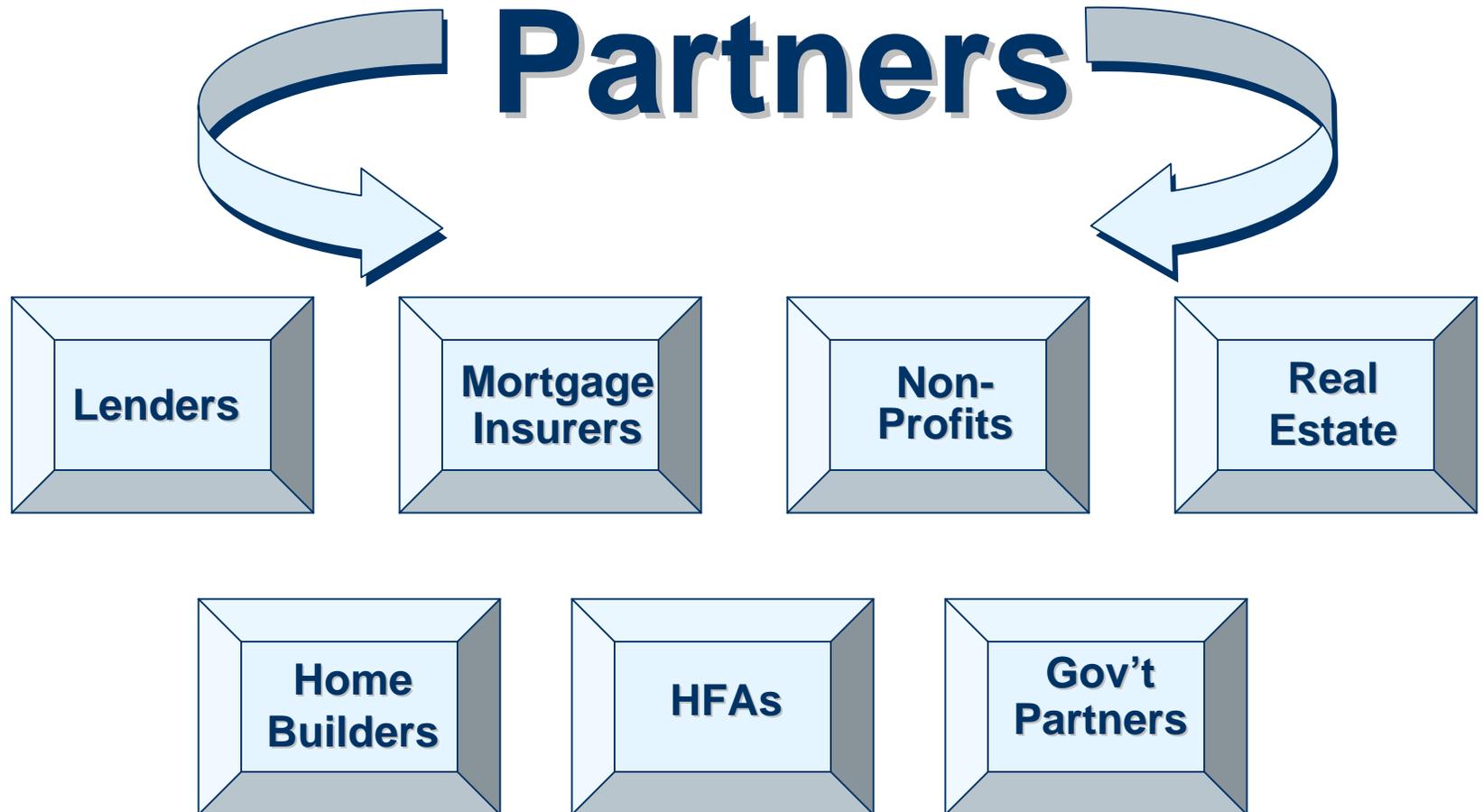
Helping to End Chronic Homelessness



Increasing The Supply Of Permanent Supportive Housing For The Chronically Homeless

- Fund at least \$25 million in low-cost predevelopment financing
- Fund a \$5 million corporate challenge grant to the Corporation for Supportive Housing to support developers of supportive housing
- Fund a \$5 million corporate challenge grant to the National Alliance to End Homelessness to support policy research and development
- Support plans to end homelessness in at least 10 communities annually
- Join with partners to create at least two new funds dedicated to tax credits for permanent supportive housing developments

Partners are Critical to Success



Thank you!