

DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

Government National Mortgage Association

Mortgage-Backed Securities Program

SUMMARY OF COMMITMENT AUTHORITY RESOURCES

(Dollars in Thousands)

	Enacted/ Requested	Carryover	Supplemental/ Rescission	Transfers	Total Resources	Obligations ^{a/}	Net Outlays
2025 Appropriation	550,000,000	550,000,000	-	-	1,100,000,000	558,694,453	-
2026 Appropriation	550,000,000	541,305,547	-	-	1,091,305,547	618,423,817	-
2027 President's Budget	600,000,000	472,881,730	-	-	1,072,881,730	787,160,911	-
Change from 2026	50,000,000	(68,423,817)	-	-	(18,423,817)	168,737,094	-

a/ Reflects commitment authority sales.

ADMINISTRATIVE EXPENSES AND COMMITMENT & MULTICLASS FEES

(Dollars in Thousands)

	Carryover	Spending Authority from Offsetting Collections	Budget Authority	Precluded	Obligations	Net Outlays
2025 Appropriation	1,609,728	192,955	57,000 ^{b/}	(1,745,683)	62,312	(131,485)
2026 Appropriation	1,745,683	219,268	59,000 ^{b/}	(1,905,951)	54,084	(165,268)
2027 President's Budget	1,905,951	260,275	56,000	(2,110,226)	57,520	(200,275)
Change from 2026	160,268	41,007	(3,000)	(204,275)	(3,436)	(35,007)

b/ Includes \$3 million of earned no-year funds contingent on volume, which is not included in the Salaries and Expenses (S&E) Congressional Justification (CJ).

PROGRAM PURPOSE

The Government National Mortgage Association's (Ginnie Mae) core purpose is to support affordable homeownership and rental opportunities for Americans by providing a vehicle for channeling funds from the securities market into the mortgage market. That vehicle is the Ginnie Mae mortgage-backed security (MBS), which is comprised of loans insured or guaranteed by Federal housing programs – including the Department of Housing and Urban Development's (HUD) Federal Housing Administration (FHA) and Office of Public and Indian Housing (PIH), the Department of Veterans Affairs' (VA) Loan Guaranty Service, and the Department of Agriculture's Rural Housing Service (RHS) – and backed by the full faith and credit of the U.S. Government to ensure investors receive timely payment of principal and interest, even if a borrower or lender defaults. This business model makes Ginnie Mae securities a trusted and sought-after asset worldwide, which in turn enables steady liquidity for lenders and uninterrupted access to mortgage credit for millions of Americans.

BUDGET OVERVIEW

The 2027 President's Budget requests the following for the Ginnie Mae MBS Program:

- \$600 billion (non-cash) limitation on new single class MBS commitments, which is \$50 billion more than the 2026 Enacted level; and
- \$56 million in spending authority from offsetting collections to cover S&E, which is equal to the 2026 Enacted level.

Commitment Authority

Commitment authority is a non-cash appropriation that enables Ginnie Mae to operate its MBS program. It authorizes Ginnie Mae to sell commitments, up to the appropriated level, to approved private lending institutions (Issuers), allowing them to issue Ginnie Mae-guaranteed securities. Through this authority, Ginnie Mae supports the flow of capital to the housing market and generates funding through issuer fees tied to the sale of commitments and the guarantee of principal and interest on MBS. Maintaining sufficient commitment authority is essential to market stability, as any perception of constrained or rationed authority could send a negative signal to lenders and investors and disrupt the availability of affordable mortgage credit.

As such, the 2027 President's Budget requests \$600 billion in commitment authority, to remain available until September 30, 2028. The request, coupled with forecasted carryover funds, is projected to support uninterrupted program operations while providing flexibility needed to respond to changes in mortgage market demand.

Salaries and Expenses

The 2027 President's Budget requests \$56 million, to remain available until September 30, 2028. Ginnie Mae's S&E budget is offset by an estimated \$260 million in collections from Commitment and Multiclass fees, resulting in a net budget authority of -\$204 million. Please see the Ginnie Mae S&E Congressional Justification for more details.

JUSTIFICATION

Ginnie Mae's MBS Program is a cornerstone of the Federal housing finance system, providing liquidity, affordability, and stability for government-insured mortgage lending. Through its full-faith and credit guaranty, the program enables efficient capital market execution, supports access to affordable mortgage credit for the populations served by Federal housing loan guarantee or insurance programs (who are particularly first-time, low-income, and underserved borrowers), and serves as a reliable countercyclical backstop during periods of market stress. The MBS Program is self-sustaining, generates revenue for the U.S. Treasury, and operates under strong risk management and oversight frameworks. As a result, Ginnie Mae delivers significant mission impact while safeguarding taxpayer interests and strengthening the broader housing finance system.

Funding Impact and Outcomes

Ginnie Mae is a government-owned corporation that operates at no cost to taxpayers, as it is 100 percent self-funded through program fees.

Over the last 10 years, Ginnie Mae has contributed an average of \$2 billion annually in offsetting receipts (i.e., negative subsidy, commitment fees, and multiclass fees receipts) to the Federal budget. These receipts help offset Federal spending and support deficit reduction efforts, and ease taxpayer burdens while promoting stability and affordability in the housing market.

In 2025, supported by commitment authority sales of \$558.7 billion and \$521.2 billion in MBS issuances,¹ Ginnie Mae contributed approximately \$1.6 billion in offsetting receipts. This activity

¹ Following the close of FY 2025, issuances were adjusted to \$526.4 billion.

supported approximately 1.4 million housing units nationwide, including more than 700,000 for first-time home buyers, underscoring the program’s central role in expanding access to affordable homeownership.

Key Assumptions

The requested increase in commitment authority is driven by market projections indicating materially higher demand in 2027. This outlook is supported by strong recent performance, with 2025 commitment authority sales increasing 29 percent and MBS issuances increasing 24 percent compared to 2024.

Updated forecasts position 2026 as a transition year, reflecting declining interest rates and gradual improvements in affordability. A more pronounced recovery is projected for 2027, driven by labor market stabilization, inflation nearing target levels, improved housing affordability, and stronger mortgage demand. In addition, rising home prices are expected to result in larger average loan balances, increasing mortgage volumes in dollar terms and, in turn, the level of commitment authority required to support market activity.

Commitment Authority Request and Market Stability: Importantly, increasing the commitment authority ceiling to \$600 billion does not increase Federal spending. Rather, it authorizes Ginnie Mae to guarantee the level of mortgage activity already expected in the market while providing flexibility needed to respond to changes in mortgage market demand. Maintaining sufficient commitment authority is essential to preserve program capacity, maintain carryover reserves to support the continuity of operations, and ensure stable access to mortgage credit nationwide, particularly in a high-volume environment where:

- Mortgage refinancing activity is accelerating
- Purchase demand is strengthening
- Non-bank issuers continue to face liquidity pressures
- Interest rate volatility can emerge rapidly
- Global investors rely on consistent access to Ginnie Mae securities

Accordingly, the requested level of commitment authority is calibrated to align with current volume forecasts, maintain compliance with statutory notification requirements under 12 U.S.C. § 1721,² support program stability, and meet the liquidity needs of the Federally backed housing market in 2027. Based on projected demand, the 2027 budget request, combined with available carryover, is expected to approach the statutory notification threshold; therefore, Ginnie Mae will closely monitor commitment authority utilization. Potential policy initiatives affecting the Federal mortgage market are being closely monitored, and any impacts on Ginnie Mae volumes are expected to emerge gradually rather than immediately.

Stakeholders

Ginnie Mae maintains strong partnerships with private-sector participants, Federal agencies, and other public stakeholders to expand access to safe, decent, and affordable housing, while promoting borrower stability and economic opportunity. Key areas of engagement include:

² [Text - H.R.4602 - 99th Congress \(1985-1986\): FHA and GNMA Credit Commitment Assistance Act of 1986 | Congress.gov | Library of Congress](#) (United States Code, Title 12, Section 1721, Government National Mortgage Association Guarantees of Mortgage-Backed Securities. Administrative Provision, subsection (b))

MORTGAGE-BACKED SECURITIES PROGRAM

- **Expanding Access:** Collaborating to bring additional mission-driven lenders into the system to better serve a range of underserved communities.
- **Risk Management:** Developing tools and sharing information to manage risks across issuers, investors, and taxpayers.
- **Crisis Readiness:** Coordinating with Federal partners to strengthen readiness for future market disruptions.
- **Technology & Data:** Advancing standards that improve transparency, data quality, and market confidence.

Through continued engagement with a mix of domestic and global stakeholders, Ginnie Mae strengthens the U.S. housing finance system and broadens its investor base. These efforts reinforce market confidence, support liquidity and innovation, and ensure that the MBS Program remains a reliable and attractive platform for financing affordable housing nationwide.

User Fees

Fee	Statute	Where and How the Fee Is Collected	2026 Fee Schedule	Estimated Collections (dollars in thousands)
Commitment Authority Application Fee	Title III of the National Housing Act, as amended (P.L. 73-479; codified at 12 U.S.C. 1716 et seq.)	Ginnie Mae receives funds via ACH drafts from the Pool Processing Agent and through the Pay.gov website.	First \$1.5 million: \$500 Additional Amounts: \$200 for each additional \$1 million (or part thereof)	\$187,053
Multiclass Fees	Title III of the National Housing Act, as amended (P.L. 73-479; codified at 12 U.S.C. 1716 et seq.)	Ginnie Mae receives funds via ACH drafts from the Pool Processing Agent and through the Pay.gov website.	First \$100 Million: 7.5 basis points Additional Amounts: 2.5 basis points Additional Multifamily fee: \$10,000 Modification and Exchange (MX) combination fee: \$3,000 per MX combination	\$73,222

SUMMARY OF RESOURCES BY PROGRAM

(Dollars in Thousands)

Budget Activity	2025 Budget Authority	2024 Carryover Into 2025	2025 Total Resources	2025 Obligations	2026 Appropriation	2025 Carryover Into 2026	2026 Total Resources	2027 President's Budget
Mortgage Backed Securities Guarantee Limitation Level [Non-Add]	[550,000,000]	[550,000,000]	[1,100,000,000]	[558,694,453]	[550,000,000]	[541,305,547]	[1,091,305,547]	[600,000,000]
Total	-	-	-	-	-	-	-	-

LEGISLATIVE PROPOSALS AND GENERAL PROVISIONS

The 2027 President's Budget includes the following general provisions:

- **HUD Corporation Services:** This provision makes permanent that certain limitations on administrative expenses are inapplicable to certain expenditures of Ginnie Mae, including legal services contracts and the expenses of carrying out its programmatic duties. This provision ensures that administrative expenses provided in annual appropriations bills do not preclude Ginnie Mae's reliance upon its permanent, indefinite appropriation, in section 1 of the National Housing Act, for nonadministrative expenses. (Sec. 202)
- **HUD Corporation Expenditures:** This provision is an authorization by which Congress implements its responsibilities under section 104 of the Government Corporations Control Act (31 U.S.C. 9104), which is necessary to carry out the programs set forth in Ginnie Mae's budget for the coming year. (Sec. 203)
- **Eminent Domain Restrictions:** This provision makes permanent provisions prohibiting HUD from guaranteeing mortgages or mortgage-backed securities that refinance or otherwise replace mortgages that have been subject to eminent domain. (Sec. 214)
- **Location of Government National Mortgage Association Principal Office:** This provision amends the Government National Mortgage Association authorizing statute to allow offices in the metropolitan area of Washington, DC. (Sec. 235)

APPROPRIATIONS LANGUAGE

The 2027 President's Budget includes the appropriations language listed below.

New commitments to issue guarantees to carry out the purposes of section 306 of the National Housing Act, as amended (12 U.S.C. 1721(g)), shall not exceed \$600,000,000,000, to remain available until September 30, 2028: Provided, That \$56,000,000, to remain available until September 30, 2028, to be derived from fees credited as offsetting collections to this account, including balances of fees collected and credited in prior fiscal years, shall be for necessary salaries and expenses of the Government National Mortgage Association: Provided further, That receipts from Commitment and Multiclass fees collected pursuant to title III of the National Housing Act (12 U.S.C. 1716 et seq.) shall be credited as offsetting collections to this account.