



September 25, 2025

The Honorable William J. Pulte
Director, U.S. Federal Housing (FHFA)
Federal Housing Finance Agency
Constitution Center
400 7th Street SW
Washington, DC 20219

Dear Director Pulte,

On behalf of U.S. Mortgage Insurers (USMI) and our member companies,¹ we appreciate the opportunity to provide feedback on the Federal Housing Finance Agency's (FHFA) Notice of Proposed Rulemaking (NPR) repealing its "Fair Lending, Fair Housing, and Equitable Housing Finance Plans" regulation.² USMI represents the nation's leading private mortgage insurance (MI) companies and our members enable first-time and working class homebuyers without access to large down payments to realize the American dream of homeownership sooner, while providing risk protection to lenders, Fannie Mae and Freddie Mac (the GSEs), investors, and taxpayers. Private MI offers an affordable, effective, and time-tested solution to make mortgage credit available to low down payment homebuyers and is backed by private capital. USMI strongly supports FHFA's work to reduce unnecessary regulatory burdens and believes FHFA's proposal to repeal this regulation aligns with this work.

While other costs of homebuying and homeownership have increased, private MI premiums have declined 25% since 2017, calculated by the yields on portfolios of insurance in force, due to expanded use of risk-based pricing and private MI companies passing along savings from the *Tax Cuts & Jobs Act's* reduction of the corporate tax rate.³ The utilization of private MI has become even more affordable with President Trump's signature on the *One Big Beautiful Bill Act*,⁴ which reinstated and made permanent the ability of many homeowners to deduct MI premiums from their federal taxes. Since 1957, the private MI industry has been in the market every day and has helped nearly 40 million households achieve homeownership, including more than 800,000 households in 2024 alone.⁵ USMI and its member companies are keenly interested in advancing policies that promote access to the conventional mortgage market and support affordable, sustainable homeownership.

¹ USMI membership comprises: Enact Mortgage Insurance Corporation; Essent Guaranty, Inc.; Mortgage Guaranty Insurance Corporation; National Mortgage Insurance Corporation; and Radian Guaranty Inc.

² 90 Federal Register 35475 (July 28, 2025).

³ MI Companies' Quarterly SEC Filings and Financial Supplements.

⁴ Pub. L. No. 119-21 (July 4, 2025).

⁵ GSE Aggregate Data and USMI Member Company Data.



Congress has clearly defined the GSEs' mission to provide liquidity, stability, and promote access to mortgage credit nationwide in the U.S. housing finance system,⁶ as well as FHFA's role in overseeing their safety and soundness. USMI champions the faithful implementation of those statutory missions and oversight authorities. Under the oversight of FHFA, and consistent with their congressional charters and missions, the GSEs effectively operate Duty to Serve⁷ programs and perform under existing affordable housing goals⁸ to ensure broad access to credit for underserved and working-class communities. The private MI industry partners with the GSEs and market participants to serve homebuyers as part of these programs.

Homeownership remains the primary vehicle for families to achieve financial stability and build intergenerational wealth. The private MI industry applauds FHFA's focus on helping Americans become homeowners, while ensuring safety and soundness in the housing finance system. Likewise, we support actions to ensure resources are focused on programs and initiatives that are expressly sanctioned by the GSE congressional charters and that prudently serve borrowers nationwide. USMI's members are key partners to the GSEs, and we look forward to continued collaboration in helping low down payment borrowers affordably and sustainably achieve homeownership sooner in the conventional market.

USMI and its member companies appreciate the opportunity to engage with you and your team on housing finance policies that enable access to homeownership opportunities for borrowers without large cash down payments and appropriately balance access to affordable mortgage credit with safety and soundness in the U.S. housing finance system. Please feel free to reach out to me directly at sappleton@usmi.org or 202-280-1820 if you have any questions or should you need any further information.

Sincerely,

Seth D. Appleton
President, USMI

⁶ 12 USC 1716 and 12 USC 1451 note.

⁷ 12 USC 4565.

⁸ 12 USC 4561.