Senator Tim Scott
Chairman
U.S. Senate Committee on Banking,
Housing, and Urban Affairs
534 Dirksen Senate Office Building
Washington, D.C. 20510

Representative French Hill
Chairman
U.S. House Committee on Financial
Services
2129 Rayburn House Office Building
Washington, D.C. 20515

Senator Elizabeth Warren
Ranking Member
U.S. Senate Committee on Banking,
Housing, and Urban Affairs
534 Dirksen Senate Office Building
Washington, D.C. 20510

Representative Maxine Waters
Ranking Member
U.S. House Committee on Financial
Services
2129 Rayburn House Office Building
Washington, D.C. 20515

April 2, 2026

Dear Chairman Scott, Chairman Hill, Ranking Member Warren, and Ranking Member Waters,

Director William J. Pulte was sworn in to lead the Federal Housing Finance Agency (FHFA) on March 14, 2025. We are writing to call your attention to the ways his actions over the last year have undermined this agency's independence and effectiveness, and have made our nation's housing affordability crisis worse. Your committees have shown serious commitment to addressing this housing crisis, notably through bipartisan support for a major housing bill. We ask that you hold Director Pulte accountable to that same high standard. Specifically, the undersigned organizations urge the Committees to call oversight hearings in which they call on Director Pulte to account for actions that have undermined the functionality of FHFA and worsened housing unaffordability and fair access while placing the housing finance system at risk. This letter also includes an Appendix, which details all the Director's actions since March 2025.

Congress established FHFA in the 2008 Housing and Economic Recovery Act, as an independent agency that provides oversight over government-sponsored enterprises (GSEs) Fannie Mae, Freddie Mac, and the Federal Home Loan Bank System. Since 2008, FHFA has also acted as the conservator of Fannie Mae and Freddie Mac.[1] Congress tasked FHFA with two

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[1] Under conservator powers, Congress tasked the FHFA Director with ensuring that the Enterprises' actions safeguard safety and soundness and "foster liquid, efficient, competitive, and resilient national housing finance markets." https://www.govinfo.gov/link/cfr/12/1237?link-type%3Dpdf%26sectionnum%3D2%26year%3Dmostrecent&sa=D&source=docs&ust=1772721332572132&usg=AOvVaw2axepQ2iYH2ll1gHgRg0ID

key responsibilities:

> (1) to promote the safety and soundness of the GSEs; and
> (2) to ensure that the GSEs meet their public mission of helping make mortgage credit available for low- and moderate-income families and in underserved markets.[2]

FHFA's dual mandate is particularly important as families across the country are struggling with historically unaffordable rents, housing costs, and home prices. One in every four renters now spends more than half of their income on housing.[3] Homeownership has become out of reach for too many working families: 75 percent of homes are unaffordable to homebuyers making the median income in their community.[4] Just 20 percent of consumers believe now is a good time to buy a home, down from 26 percent in December 2024.[5]

As the nation's most powerful housing regulator, Director William J. Pulte has considerable tools at his disposal to leverage our six-trillion-dollar housing finance system to develop innovative housing solutions and lower housing costs. However, through a range of actions over the last year, the Director has instead roiled financial markets, generated deep uncertainty for investors and industry, and put homeownership more out of reach for millions of families. In this letter, we lay out key actions taken in his first full year of tenure, from March 14, 2025 to the present.

I. Deep Loss of Expertise and Capacity at FHFA and the GSEs

Director Pulte has carried out extensive staffing dismissals and reductions at FHFA, especially in the divisions most focused on making mortgages more available to working families. Under his leadership, FHFA dissolved the Division of Public Interest Examination and Office of Minority and Women Inclusion, and laid off workers in the Offices of Consumer Protection, Equal Opportunity and Fairness, and Statistics and Research.[6] Director Pulte himself estimated that the

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[2] As laid out in Congressional charter: "The principal duties of the [FHFA] Director shall be…to ensure that…the operations and activities of each regulated entity foster liquid, efficient, competitive, and resilient national housing finance markets (including activities relating to mortgages on housing for low- and moderate-income families involving a reasonable economic return that may be less than the return earned on other activities)." 12 U.S.C. § 4513(a), "Duties and Authorities of Director." https://www.law.cornell.edu/uscode/text/12/4513

[3] "America's Rental Housing, 2026." Joint Center for Housing Studies of Harvard University. March 12, 2026. https://www.jchs.harvard.edu/calendar/americas-rental-housing-2026

[4] Gailey, Alex. "Priced out of 75% of the market, Americans' dream of homeownership has become a luxury." Bankrate. December 8, 2025. https://www.bankrate.com/mortgages/american-dream-of-homeownership-turning-into-luxury/

[5] Thomas, Alex and Sherlock, Maegan. "Consumer confidence wavers amid economic uncertainty." John Burns Research and Consulting. April 18, 2025. https://jbrec.com/insights/economic-fears-change-homebuying-plans/

[6] O'Donnell, Katy. "Top housing regulator in upheaval as executives, employees put on leave," *POLITICO*. March 20, 2025. https://www.politico.com/news/2025/03/20/employees-placed-on-leave-at-top-housing-regulator-00240298

agency lost 25 percent of its active workforce, reducing a small workforce of around 730 people.[7] This loss of expertise and capacity has already undermined the agency's ability to do its job: including to monitor fair lending practices and to develop evidence-driven housing regulation. For example, media reported that FHFA rushed to hire back fired staff, after realizing it needed their expertise to develop IPO plans for Fannie Mae and Freddie Mac, raising concerns about broader policy and expertise gaps that persist.[8]

Director Pulte also took the highly unusual action of overhauling Fannie Mae's and Freddie Mac's executive leadership and Boards, not only by firing 14 out of 25 Board members but also by appointing himself as Chairman to both boards.[9] These sweeping changes to the Enterprises' governance violate the ordinary distance between regulator and regulated entities and undermine the independent oversight that Boards are meant to provide, all at a time in which the Administration is supposedly seeking to end conservatorship.

II. Director Pulte's Actions Have Undermined Public Confidence in Our Housing Finance System

Director Pulte's actions have also undermined public trust and confidence in the integrity of our housing finance system. For example, Director Pulte directed Fannie Mae to use its resources and staffing time to pursue allegations of mortgage fraud against individuals identified as political opponents of the President.[10] This action not only misappropriated government resources to further political goals but also may have violated the privacy protections of U.S. mortgage borrowers. Director Pulte is currently the subject of a Government Accountability Office (GAO) investigation into whether he misused federal authority and resources.[11] He is also facing multiple lawsuits, including one alleging that he violated the Privacy Act, which

[7] O'Donnell, Katy. "Pulte says FHFA's 'active workforce' has been reduced by 25 percent." April 8, 2025. Politico. https://subscriber.politicopro.com/article/2025/04/pulte-says-fhfas-active-workforce-has-been-reduced-by-25-percent-00279564

[8] Quinio, A., Pollard, A., & Gara, A. "US housing agency rehires sacked staff ahead of Fannie and Freddie IPO." *Financial Times*. September 9, 2025. https://www.ft.com/content/af4e199a-3c6f-4197-ae18-f1063abbcad5

[9] Siegel, Rachel. "Trump team shakes up mortgage giants as it weighs their futures." *The Washington Post*. March 19, 2025. https://www.washingtonpost.com/business/2025/03/18/fannie-mae-freddie-mac-fhfa-overhaul-mortgage/; Dayen, David. "Move Fast and Break the Mortgage Market." *The America Prospect*. March 20, 2025. https://prospect.org/2025/03/20/2025-03-20-move-fast-break-mortgage-market-fannie-freddie/

[10] Bromwich, Jonah E. et al. "Officials Accused of Mortgage Fraud Attack Trump's Housing Agency Chief." *NYTimes*, Nov 7, 2025. https://www.nytimes.com/2025/11/17/nyregion/lisa-cook-fed-trump-pulte.html

[11] Delouya, Samantha. "Government Watchdog Launches Probe Into Bill Pulte Over Mortgage-Fraud Referrals." *CNN*, Dec 5, 2025. https://www.cnn.com/2025/12/04/business/government-accountability-office-investigation-bill-pulte-mortgage-referrals

"explicitly forbids federal agencies from disclosing—or even transmitting to other agencies—sensitive information about any individual for any purpose not explicitly authorized by law."[12]

Director Pulte also misused the power and visibility of his office to lead a social media campaign, posting and reposting more than 100 items calling on the Federal Reserve Chair Jerome H. Powell to resign: the nation's most prominent independent regulator whose credibility is key to U.S. market stability and trust.[13] In addition, Director Pulte wrote a resignation letter for Jerome H. Powell, which President Trump showed in a meeting with House Republicans, and allegedly authored the report that started off a probe into Chairman Powell around the Federal Reserve's office's renovation costs.[14] Additionally, Director Pulte made allegations of mortgage fraud to his 3 million social media followers against Governor Lisa Cook, which the President used as a basis to attempt to unlawfully remove her. The Supreme Court is now considering the case. These activities fall outside of the job description of FHFA Director and are inappropriate for an independent regulator. These actions also have directly undermined housing affordability. As investors feared that the independence of the Federal Reserve was under threat, gold surged to record highs, while Treasury yields increased, putting upward pressure on mortgage rates.[15]

Time and time again, Director Pulte has refused to use FHFA's appropriate channels for policy development and rulemaking. Instead, he has chaotically announced policies on social media, without data-driven analysis, opportunity for public input, or clarity on implementation. One prominent example has been the announcement on Truth Social of 50-year mortgages: a policy idea that originated from Director Pulte.[16] The housing industry almost unanimously rejected this idea, explaining that such a product would only marginally lower monthly mortgage payments, while driving up borrowers' total mortgage costs by tens of thousands of dollars.[17]

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[12] Tapper, Jake and Herb, Jeremy. "Rep. Eric Swalwell alleges in new lawsuit that Bill Pulte abused database access to gin up mortgage fraud claims." *CNN*. November 25, 2025. https://www.cnn.com/2025/11/25/politics/eric-swalwell-bill-pulte-lawsuit

[13] Rappeport, Alan and Goldstein, Matthew. "Behind Trump's War With Powell: A Battering Ram With 3 Million Followers," *The New York Times*. July 25, 2025. https://www.nytimes.com/2025/07/25/business/trump-powell-bill-pulte.html

[14] Mishkin, Shaina and Nicole Goodkind. "Bill Pulte is One of Powell's Biggest Critics. What He Has to Say About the Fed." *Barron's,* July 16, 2025. https://www.barrons.com/articles/pulte-powell-quit-investigation-7c9c7dad?reflink=desktopwebshare_permalink;
The Editorial Board. "Lawfare for Dummies, Monetary Edition." *The Wall Street Journal.* January 12, 2026. https://www.wsj.com/opinion/jerome-powell-subpoena-federal-reserve-department-of-justice-donald-trump-bill-pulte-jeanine-pirro-b6913599?mod=hp_opin_pos_1

[15] Liu, John. "Gold Just Hit a Record $5,000. What's Driving the Surge?" *CNN.* Jan 26, 2026. https://www.cnn.com/2026/01/25/business/gold-record-trump-global-concerns-intl-hnk

[16] Director William J. Pulte, (@pulte), Tweet. November 8, 2025. https://x.com/pulte/status/1987228558226280813

[17] Calhoun, Mike and Peter, Tobias. "Buying a House Has Become Less Affordable. A 50-Year Mortgage is Not the Answer." Center for Responsible Lending, LinkedIn. Feb 3, 2026. https://www.linkedin.com/pulse/buying-house-has-become-less-affordable-9rl9e/

Another example is when Director Pulte upended via social media post over a decade of testing, research, public engagement, and careful analysis by FHFA and the Enterprises in updating the credit scoring models used by the latter. Director Pulte made a surprise announcement in a post on X without issuing a notice and comment period.[18]

Finally, a similar lack of transparency and clarity have plagued plans for the future of Fannie Mae and Freddie Mac. Over the last year, Director Pulte has gone back and forth on vague plans to sell off part of the value of stock warrants that U.S. taxpayers hold in the Enterprises, in what has been called an "IPO." [19] As regulator and conservator of the Enterprises, it behooves Director Pulte to work out actual details about such a momentous public offering, including its size, likely buyers, and impact for U.S. consumers, prior to any such announcement, if any. More importantly, it will be imperative for FHFA and this Administration to engage Congress and the public to develop a safe, actual plan for the long-term future of Fannie Mae and Freddie Mac.

While our nation's housing markets depend on trust, stability, and adequate federal oversight to keep mortgage costs down for consumers, this series of actions has only undermined public confidence. Director Pulte's chaotic first year stands in stark contrast to the urgent need for careful, sustained policies that meaningfully bring down housing costs.

III. Director Pulte's Actions Have Undermined Mortgage Affordability and Access

Over the past year, Director Pulte has also initiated a range of actions that have undermined mortgage affordability for working families, contributing to worsening our housing crisis. Under his leadership, FHFA has diminished access to affordable mortgage credit, most notably by sharply lowering the Enterprise Housing Goals.[20] Congress established these annual mortgage purchase benchmarks to ensure that Fannie Mae and Freddie Mac also serve the mortgage needs of low- and moderate-income families. However, under Director Pulte's leadership, FHFA released a new rule that sets these goals well below historical levels and projected primary market delivery of such loans, in effect allowing Fannie Mae and Freddie Mac to fall short on their statutory responsibility to "lead the industry in making mortgage credit available."[21] The

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[18] Wu, Chi Chi. "Pulte's Tweet Hands Credit Bureaus an Unfair Edge. Loan Think: National Mortgage News, July 28, 2025, https://www.nationalmortgagenews.com/opinion/pultes-tweet-hands-credit-bureau-an-unfair-edge.

[19] Jackson, Katharine and Prentice, Chris. "Trump to decide on Freddie, Fannie IPO in next month or two, FHFA's Pulte tells CNBC." *Reuters*. January 8, 2026. https://www.reuters.com/business/finance/trump-decide-freddie-fannie-ipo-next-month-or-two-fhfas-pulte-tells-cnbc-2026-01-08/;
Dumay, Cassandra. "Pulte: 'We don't have to do' Fannie and Freddie IPOs." *POLITICO*. February 3, 2026. https://www.politico.com/news/2026/02/03/pulte-fannie-freddie-ipos-00762367

[20] 2026-2028 Enterprise Housing Goals. 90 Fed. Reg. 59948 (December 23, 2025). https://www.federalregister.gov/documents/2025/12/23/2025-23746/2026-2028-enterprise-housing-goals

[21] Letter from consumer and housing advocacy groups to the Federal Housing Finance Agency regarding the proposed 2026-2028 Enterprise Housing Goals, November 3, 2025. https://consumerfed.org/wp-

reduced goals will permit Fannie Mae and Freddie Mac to purchase up to 59,000 fewer affordable mortgages each year: meaning that as many as 177,000 families could lose access to GSE-backed mortgages over the next three years.

Over the last year, FHFA also rolled back key fair housing initiatives and regulations. Fair housing protects virtually all consumers, such as based on the protected characteristics of disability status, family status, sex, age, and race and ethnicity. These laws ensure that tenants do not face eviction just because they have children living at home, help people with a disability find housing, and make sure that homebuyers do not get denied a mortgage or have to pay more based on their race or gender.

However, Director Pulte repealed FHFA's regulation on Fair Lending, Fair Housing, and Equitable Housing Finance Plans.[22] The choice to abandon this oversight rule means that Fannie Mae, Freddie Mac, and the Federal Home Loan Banks will no longer be held accountable for upholding their statutory duty to "affirmatively further fair housing." Without oversight, renters and homebuyers have no way of knowing whether our housing finance system works equally well for people with a disability, for women, or Black Americans for example. The repeal of this rule will likely exacerbate long-standing disparities in homeownership, such as the persistent 30-percentage point homeownership gap between Black and white Americans.[23]

Despite Special Credit Programs (SPCPs) helping to generate $17.2 billion in economic impact as part of the Enterprises' Equitable Housing Finance Plans, the Director also terminated the Enterprises' SPCPs. SPCPs are a profitable program for lenders that expanded access to homeownership in underserved communities by providing down payment assistance and more flexible underwriting guidelines.[24] SPCPs have supported critical community development initiatives such as providing capital for women and minority developers building affordable housing.

The chaotic actions and policy changes outlined in this letter have all occurred in only one year since William J. Pulte was appointed as FHFA Director on March 14, 2025.The Director's actions have already undermined housing affordability and injected deep uncertainty and

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content/uploads/2025/11/Joint-Comment-Letter-2026-2028-Enterprises-Housing-Goals-Final-version-Nov-3-2025.pdf

[22] Fair Lending, Fair Housing, and Equitable Housing Finance Plans. 91 Fed. Reg. 5278. (February 6, 2026). https://www.federalregister.gov/documents/2026/02/06/2026-02325/fair-lending-fair-housing-and-equitable-housing-finance-plans

[23] National Association of Realtors. "Black Homeownership Rate Sees Largest Annual Increase Among Racial Groups But Still Trails White Homeownership Rate by Almost 30 Percentage Points." March 2025. https://www.nar.realtor/newsroom/black-homeownership-rate-sees-largest-annual-increase-among-racial-groups-but-still-trails-white-homeownership-rate

[24] Director William J. Pulte, (@pulte), Tweet. March 25, 2025. https://x.com/pulte/status/1904621959213965690?ref_src=twsrc%5Egoogle%7Ctwcamp%5Eserp%7Ctwgr%5Etweet

instability in the U.S. housing finance system, running counter to this Administration's and Congress' stated commitment to address the housing crisis.

As some of our nation's leading housing and consumer advocacy organizations, we urge your Committees to hold oversight hearings to examine Director Pulte's actions at FHFA and require him to account for decisions that have weakened the agency's independence and ability to address the nation's escalating fair and affordable housing crisis.

Sincerely, the undersigned organizations:

Americans for Financial Reform Education Fund
Consumer Action
Consumer Federation of America
National Consumer Law Center (on behalf of its low-income clients)
National Fair Housing Alliance

Appendix: Director Pulte's Actions Have Worsened the Nation's Housing Crisis

William J. Pulte was sworn in as Director of the Federal Housing Finance Agency on March 14, 2025. This Appendix offers a detailed list of FHFA's actions under his leadership over the last year, highlighting how activities have undermined the agency's independence and effectiveness, and worsened our nation's housing affordability crisis.

1-Increasing housing costs for the average renter, buyer, or homeowner

- Tenant Protections. FHFA rescinded a Directive titled, "Aligned Policies on Multifamily Rental Payment Flexibility and Lease Notices," which required Fannie Mae and Freddie Mac to include certain tenant protections, such as rental payment flexibility and lease notices, as a condition of new multifamily financing. (3/24/2025)
- Consumer Protection. FHFA rescinded guidance titled, "Advisory Bulletin No. 2024-06: Regulated Entity Unfair or Deceptive Acts or Practices Compliance," which articulated FHFA's expectations for the GSEs' and the Federal Home Loan Banks' compliance with Section 5 of the Federal Trade Commission Act, which prohibits unfair or deceptive acts or practices (UDAP). (3/24/2025) FHFA also fired its UDAP examiners, which means that the regulator will no longer supervise Fannie Mae and Freddie Mac for compliance with the UDAP law. Each of the federal financial regulators has long supervised its entities for compliance with UDAP, so this makes FHFA an outlier and leaves average consumers without basic consumer protections.
- GSE Privatization, an "IPO," and Increased Lending Costs. Administration officials have discussed releasing Fannie Mae and Freddie Mac from conservatorship. Director Pulte has gone back and forth on a vague plan to sell off part of the value of stock warrants that U.S. taxpayers hold in the Enterprises, in a so-called "IPO." A chaotic release plan threatens the financial stability of the entire U.S housing finance system, and taken-for-granted mortgage features such as a mortgage lock. Experts predict that privatization is likely to cause interest rates to rise, as the explicit government backstop is rolled back, driving up housing costs for middle-class families. If implemented without appropriate mission oversight, post-release the GSEs may also further limit their mortgage access to low-and-moderate income borrowers.
- Reduction of the Enterprise Goals: FHFA sharply lowered the Enterprise Housing Goals (also known as the Affordable Housing Goals) to well below historic market levels. The reduced goals will permit Fannie Mae and Freddie Mac to purchase up to 59,000 fewer affordable mortgages each year: as many as 177,000 families could lose access to GSE-backed mortgages over the next three years. (12/23/2025)

2-Rolling back established housing rights for people of all backgrounds

- Special Purpose Credit Programs (SPCP). FHFA issued an order requiring Fannie Mae and Freddie Mac to "terminate SPCP Programs supported by the Enterprises." (3/25/2025) SPCP's are authorized by law under the Equal Credit Opportunity Act and Regulation B. This order does not (and cannot) ban lenders' ability to originate SPCPs but will severely restrict liquidity for SPCPs, which typically overcome historic barriers to homeownership by providing down payment assistance and flexible underwriting for certain underserved geographic areas.
- Fannie Mae/Freddie Mac Equitable Housing Finance Plans. FHFA issued a regulatory waiver of the requirements for Fannie Mae, Freddie Mac, and the Federal Home Loan Banks to submit and publish Equitable Housing Finance Plans. (3/25/2025). The waiver severely restricts public accountability on whether the GSEs are fulfilling their statutory mandate to serve the entirety of the housing market. FHFA issued a final rule to repeal the regulation regarding fair lending and equitable housing finance plans. (2/6/2026)
- REO Repairs. FHFA issued an order requiring Fannie Mae to end its "Repair All" strategy for its REO inventory and to return to a portfolio neutral approach. (3/25/2025) This raises questions about whether Fannie Mae will repair homes in communities of color or create blight and drive down prices in certain communities. Fair housing groups had previously sued Fannie Mae, Freddie Mac, and several lenders to ensure equal maintenance and marketing of REO homes in compliance with the Fair Housing Act.

3-Ignoring the threat to local communities from climate change

- Climate-Related Risk Management. FHFA issued an order rescinding guidance that required Fannie Mae and Freddie Mac to integrate climate-related risk management into its risk management framework. (3/25/2025)
- Revised Duty to Serve Plans. Fannie Mae and Freddie Mac removed all housing goals related to helping adapt rural multifamily housing for greater energy efficiency, climate resiliency, and disaster preparedness. These interventions not only helped protect our nation's housing stock against natural disasters but also have translated into lower housing costs for renters, in the form of lower utility bills. (02/27/2026)

4-Eviscerating key agencies that provide people with access to fair & affordable housing

- FHFA Employees. FHFA fired most staff in the Division of Public Interest Examination (fair lending, UDAP, and consumer protection), the Office of Minority and Women Inclusion, and the Offices of Consumer Protection, Equal Opportunity and Fairness, and Statistics and Research. (3/18/2025). The Office of Minority and Women Inclusion is required by statute and was moved to FHFA's Equal Employment Opportunity Office, whose employees were also placed on administrative leave.

- Fannie Mae and Freddie Mac Boards. FHFA Director Bill Pulte has fired a total of 14 members of the 25 board members at Fannie Mae and Freddie Mac; installed himself as chair of both boards; installed FHFA's General Counsel, Clinton Jones, as a member on both boards; and fired Fannie Mae's entire audit committee. (3/17/2025)
- Fannie Mae and Freddie Mac Employees. Director Pulte fired Freddie Mac's CEO, COO, head of HR, and SVP of Mission and Community Engagement; and Fannie Mae's fair lending officers. The Environmental, Social, and Governance team was terminated entirely. (3/18/2025)