Duty to Serve Scorecard for the GSEs’ 2025-2027 Plans

UNDERSERVED MORTGAGE MARKETS COALITION

The Underserved Mortgage Markets Coalitions' Scorecard for the DTS Plans 2025–2027 evaluates Fannie Mae and Freddie Mac’s ("the Enterprises") commitment to innovating and developing effective solutions to meet their responsibilities under the federal regulation Duty to Serve. This mandate requires the Enterprises to prioritize and improve affordable housing finance opportunities in three historically neglected markets: manufactured housing, affordable housing preservation, and rural housing.

SCORECARD LEGEND

3 Points – Fully met or exceeded UMMC expectations. The loan purchase target is 90%-100% of the DTS Blueprint 2024 recommendation. This square will be green to show the highest degree of success.

2 points – Partially met or improved upon the last DTS plans. The loan purchase target is 50%-90% of the DTS Blueprint 2024 recommendation. This square will be yellow to show the 2nd highest degree of success.

1 point – Made minimal improvements from the last DTS plans. The loan purchase target is 5%-50% of the DTS Blueprint 2024 recommendation. This square will be orange to show the 3rd highest degree of success.

0 points – No positive change in the DTS plans. The number of loan purchases is 0%-5% of the DTS Blueprint 2024 recommendation. This square will be red to indicate a failure.

Extra Credit: Up to 10% extra credit is awarded to recognize the other mission driven impact areas addressed by both GSEs in their Duty to Serve plans. Proposed pilots or new products are awarded 1 extra credit point. As the total amount of possible points is 27, only 3 extra credit points will be awarded to each GSE, if applicable. Total points cannot exceed 30.

OBJECTIVE	FANNIE MAE BASELINE	FREDDIE MAC BASELINE	FANNIE MAE TARGETS	FREDDIE MAC TARGETS	PROJECTED IMPACT
RURAL					
Address the Section 515 Preservation Crisis	Baseline: 248 units UMMC Recommendation: 9 purchases each year, equity investments for CDFIs engaged in Section 515 preservation	Baseline: NA UMMC Recommendation: 9 purchases each year, equity investments for CDFIs engaged in Section 515 preservation	2025: 85 units 2026: 85 units 2027: 85 units Partner with 30 organizations to deliver TA for 515 preservation.	None	Thousands of Section 515 units are maturing out of the system each year. The residents of these properties have an average income of around $15,000 and two thirds are elderly or disabled. This is an incredibly vulnerable population and we need as many lenders in the room as possible when it comes to preserving these units. To meet our recommendation, Fannie Mae should increase their 2025-2027 purchase goal and revert to using loans instead of units to measure purchases. Freddie Mac should add purchase goals back into their plan.
Develop Better Loan Products to Serve High-Needs Rural Regions (HNRR)	Both Fannie Mae and Freddie Mac have conducted research with CDFIs in HNRRs to improve servicing. UMMC Recommendation: CDFI specific product with key features outlined in UMMC Blueprint.	Both Fannie Mae and Freddie Mac have conducted research with CDFIs in HNRRs to improve servicing. UMMC Recommendation: CDFI specific product with key features outlined in UMMC Blueprint.	Fannie Mae hopes to work with rural CDFIs to enhance rural CDFI product features and update requirements.	Freddie Mac will create and pilot a CDFI product that will expand lending in rural areas.	CDFIs have built the relationships and lending knowledge needed to serve NHRRs and HNRPs. Fannie Mae has made little progress toward creating a CDFI-specific loan product. We recommend that they include more specific goals in their Plans on this topic. While both GSEs include targets for servicing HNRR, Freddie Mac is expecting to explore the feasibility of creating a CDFI product.

OBJECTIVE	FANNIE MAE BASELINE	FREDDIE MAC BASELINE	FANNIE MAE TARGETS	FREDDIE MAC TARGETS	PROJECTED IMPACT
Serving Native American Markets	Baseline: 4 loans UMMC Recommendation: Increase conventional lending on trust land and secondary market sales of trust land mortgages.	Baseline: 0 loans UMMC Recommendation: Increase conventional lending on trust land and secondary market sales of trust land mortgages.	2025: 10 loans 2026: 15 loans 2027: 20 loans Partner with nonprofits to provide TA to 20 orgs working in Native or farmworker communities each year.	2025: Loan Product 2026: Loan Purchase 2027: 15-50 loans	Buying and developing homes on tribal trust lands remains a difficult process of navigating legal, supply chain and other challenges, and the Duty to Serve plans should continue to recognize this. We encourage a higher level of loan purchases in both cases. Almost 250,000 American Indian and Alaska Native households* live in areas eligible for consideration under these goals. To increase lending, we also ask that the GSEs increase engagement with lenders near Tribal land and help build relationships between Tribal Nations and banks, with a specific focus on increasing bank understanding of Tribal law and their willingness to lend on Tribal land.
EXTRA CREDIT	**FANNIE MAE**		**FREDDIE MAC**		**PROJECTED IMPACT**
	Activity: Conduct research on conditions facing current and prospective homeowners in rural areas. Fannie Mae will research, identify and develop requirements that enable rural CDFIs to access secondary market liquidity more frequently and with limited changes to the existing product strategy. If justified by the research, Fannie Mae will propose a loan purchase target for 2027.		Activity: Support for All Rural Areas. Freddie Mac will seek to include rural loans in at least one multi-sponsor transaction through targeted outreach to raise awareness of the offering with at least 10 Duty to Serve-qualifying financial institutions, including CDFIs, MDIs, and SFIs that provide		These activities aim to enhance the accessibility of mortgage financing for rural homeowners by improving the secondary market liquidity for rural CDFIs and facilitating collaboration among rural financial institutions through multi-sponsor transactions. We encourage greater lending opportunities in rural regions with an emphasis on lending in native markets.

OBJECTIVE	FANNIE MAE BASELINE	FREDDIE MAC BASELINE	FANNIE MAE TARGETS	FREDDIE MAC TARGETS	PROJECTED IMPACT
			debt capital for 5- to 50-unit properties, and those that serve rural areas.		
SINGLE FAMILY					
Support for Shared Equity Homeownership	2022-2023: 265 units per year UMMC recommendation: 200 units per year	3-year baseline: 138 loans per year UMMC recommendation: 200 units per year	2025: 284 loans 2026: 295 loans 2027: 325 loans	2025: 155 loans 2026: 170 loans 2027: 180 loans	Fannie Mae's purchase targets exceed the UMMC recommendation. Although Freddie Mac's fall shy of the UMMC recommendation, it's objective to provide TA to shared equity programs is an admirable and important step forward to expand the shared equity market.
Energy Efficiency	2023: FNM modified target from 187 loans to 28-33 loans. UMMC Recommendation: 528-533 with a yearly loan increase of 100.	2021:NA 2022: NA 2023: NA UMMC Recommendation: 700-1000 with a yearly loan increase of 100.	2025: 31-35 loans 2026: 33-37 loans 2027: 35-39 loans	No loan purchases included	The goals set forth for Fannie Mae's energy purchases fall far below our recommendations. Freddie Mac's plans do offer collaboration with stakeholders, but no loan goal purchases. Fannie Mae and Freddie Mac could finance hundreds of additional Duty to Serve eligible mortgages as well as undertake impactful outreach activities to ensure opportunities for energy efficiency improvements are maximized through the greenhouse gas reduction fund.

OBJECTIVE	FANNIE MAE BASELINE	FREDDIE MAC BASELINE	FANNIE MAE TARGETS	FREDDIE MAC TARGETS	PROJECTED IMPACT
Distressed Asset Disposition	NA UMMC Recommendation: Partner with organizations that support financing for the purchase or rehabilitation of distressed properties and build on the existing loan product that meets the GSEs criteria for loan purchases.	NA UMMC Recommendation: Partner with organizations that support financing for the purchase or rehabilitation of distressed properties and build on the existing loan product that meets the GSEs criteria for loan purchases.	NA	NA	Neither Fannie Mae, nor Freddie Mac included distressed asset sales in their 2025-2027 DTS plans, Not only will this decision enable for-profit entities to continue to control the single-family distressed asset market, but it will also directly impact, and in some ways contribute to, the nation's affordable supply crisis that has a disproportionate impact on the communities DTS is intended to serve.
EXTRA CREDIT	**FANNIE MAE**		**FREDDIE MAC**		**PROJECTED IMPACT**
	Activity: Energy or water efficiency improvements on single family, first-lien properties that meet FHFA criteria. Fannie Mae is committed to helping assess existing mortgage products for potential alignment with existing incentives and financing, which may help households' complete energy efficiency or electrification projects and increase energy bill savings.		Activity: Financing of Energy – and/or Water-Efficiency Improvements. Although Freddie Mac did not include loan purchase goals for this objective, it did commit to identifying at least three markets where expanding an existing program to highlight available energy savings subsidies could have significant market impact.		Existing programs can help make home energy bill reductions more accessible and affordable for many Americans by providing tax credits, rebates, and financing options to switch more efficient alternatives. We encourage the GSEs to leverage their collective power to expand affordability and necessary affordable housing preservation through the new energy efficiency programs.

OBJECTIVE	FANNIE MAE BASELINE	FREDDIE MAC BASELINE	FANNIE MAE TARGETS	FREDDIE MAC TARGETS	PROJECTED IMPACT
MANUFACTURED HOUSING					
Increase Manufactured Housing Infill	Baseline: 5689 loans UMMC Recommendation: 3% increase over baseline each year of the plan	Baseline: 5957 Loans UMMC Recommendation: 3% increase over baseline each year of the plan	2025: 6300 loans 2026: 6800 loans 2027: 7400 loans	2025: 6550 loans 2026: 6800 loans 2027: 7100 loans	We support Fannie Mae's objectives to explore and possibly implement updates and changes to their real property loan offerings for manufactured homes that would encourage more infill housing opportunities. The activities would make manufactured homes a more attractive and value-retentive option for homebuyers and municipalities. Freddie Mac proposes reviewing their current product offerings to identify potential policy updates. It also outlines product flexibilities to facilitate the organization of mortgages secured by MHRP, including an update to the seller/servicer guide. We recommend that Freddie Mac explore opportunities for partnerships and coalition building with local municipalities to pilot infill housing projects.

OBJECTIVE	FANNIE MAE BASELINE	FREDDIE MAC BASELINE	FANNIE MAE TARGETS	FREDDIE MAC TARGETS	PROJECTED IMPACT
Home-Only Loan Pilot	Baseline: N/A UMMC Recommendation: Launch of a Home-Only loan pilot, consider adding any additional consumer protections, include a standardized land lease, and homebuyer education and counseling.	Baseline: N/A UMMC Recommendation: Launch of a Home-Only loan pilot, consider adding any additional consumer protections, include a standardized land lease, and homebuyer education and counseling.	Proposed Target(s): Not included as a proposed Regulatory Activity	Proposed Target(s): Not included as a proposed Regulatory Activity	The UMMC is disappointed that FHFA has not yet approved the proposed personal property loan pilot proposed by Freddie Mac which prevents them from launching. Both GSEs mention in their plans considering a pilot, if approved by the regulator. Home-only loans are important for borrowers not only in communities, but also on tribal and private land. In fact, only half of personal property loan borrowers live in manufactured home communities; a quarter are on family or tribal land, nearly another quarter are on their own land, and 1-2% are in resident-owned communities. Failure to serve this part of the market also disproportionately impacts Black, Hispanic, and Indigenous manufactured home buyers who are more likely to need and apply for personal property loans than their white counterparts.

EXTRA CREDIT:	FANNIE MAE (+1)	FREDDIE MAC (+2)	PROJECTED IMPACT
	Activity: Increase purchase of MHC loans with affordability created by rent restrictions Using the Sponsor-Dedicated Workforce (SDW) program as a model, Fannie Mae proposes to develop a new product that	Activity: Preserve MHC Affordability through Loan Terms Relying on the success of the mandatory tenant pad lease protections for all MHC	The UMMC is encouraged to see both GSEs take steps to preserve the site rent affordability for residents of manufactured home communities. as site rents increase, manufactured housing becomes less affordable,

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	incentives MHC operators to moderate annual rent increases and aims to purchase 3 MHC loans in 2026 with site rent increase restrictions.		transactions and conventional loan product offerings that preserve unit affordability, Freddie Mac proposes to design a new offering to preserve site rent affordability through loan agreements for MHC transactions. The new offering will aim to meet market needs while preserving safe and sound lending standards.		particularly impacting residents on fixed incomes.
MULTIFAMILY					
Prevent the loss of housing credit properties through the exercise of qualified contracts	NA UMMC Recommendation: Commit to developing a loan product that includes qc waivers and material breach language.	NA UMMC Recommendation: Commit to developing a loan product that includes qc waivers and material breach language.	NA	Freddie Mac will review existing research on the use of qualified contracts. This could eventually create a product that includes the UMMC’s DTS blueprint goals.	We recommend that both GSEs commit to acquiring multifamily loans on housing credit properties only if the owner has agreed to waive their QC rights. This proposal is intended to make it more difficult for developers to obtain long-term debt financing for their properties if they have the ability, through the qc process, to convert the housing credit property to market rental after 15 years of rent and income restrictions.
GSES’ TOTAL SCORE[1]					
Fannie Mae: 15			**Freddie Mac: 17**		

[1] The Enterprises are scored based on the color code, listed above. The total score is the sum of the point totals. The highest score possible is 27.

OBJECTIVE	BASELINE	DISCLOSURE	PROJECTED IMPACT
FHFA			
DTS Credit for Nonrural LIHTC Investments	The FHFA provides DTS credit for LIHTC equity investments in rural markets, but there is a critical need to rehabilitate and recapitalize existing affordable multifamily properties in nonrural settings.	In tandem with their DTS plans, the GSEs should explicitly seek permission from FHFA to receive credit for equity investments that preserve the affordability of nonrural LIHTC properties. To appropriately evaluate the scale of the target activity, the GSEs should annually disclose their investment activities, broken out by rural investment, nonrural preservation investment, and others.	The new plans should set specific investment targets for each of the three plan years, set at no less than 20 percent of the LIHTC equity investment planned for annually. Preservation-focused equity investments should be eligible for DTS credit, and data on existing nonrural preservation investment should be published, aggregated by the year of investment.