

## Strategic Objective 1A: Housing Market

**Establish a sustainable housing finance system that provides support during market disruptions, with a properly defined role for the US government.**

### OVERVIEW

HUD will work with other agencies, Congress, and stakeholder groups to create a sustainable housing system. In doing so, HUD aims to minimize taxpayer risk by fostering private capital as a primary source of liquidity, and focus governmental participation to a more targeted market of underserved borrowers while still allowing it to maintain its countercyclical role. The right solution will ensure continued access to homeownership and multifamily investment opportunities for creditworthy borrowers while avoiding the problem of private gains and public losses.

### STRATEGIES

- **Create a legislative framework to wind down the government-sponsored enterprises (GSE)** in a measured and careful manner. Through this strategy, HUD intends to foster the increased participation of private capital and to insulate taxpayers from losses. At the same time, access to credit must be maintained. In order to accomplish this, HUD will work with Administration partners to lend its expertise in shaping legislative reform.
- **Develop the necessary reforms to focus the Federal Housing Administration on maintaining access to capital** for homeowners and multifamily project owners through all economic cycles. HUD will work to update regulations to allow for access to financing for creditworthy borrowers even during economic downturns.
- **Shape the regulatory landscape through rulemakings.** New rules will enhance access to financing for creditworthy borrowers and promote the revival of the private label mortgage sector. This new landscape will also include enhanced safety mechanisms for both consumers and investors.

### LEADING THIS OBJECTIVE

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### MEASURING OUR PROGRESS

To track our progress towards this objective, HUD will track the following performance indicator.

- ▶ **Overall market share of private capital, GSEs, and FHA**  
 This measure will track the share of the mortgage market for private lenders, government-sponsored entities (Fannie Mae and Freddie Mac), and FHA in order to observe FHA's role in the housing market and the balance of the housing market.