



February 10, 2022

The Honorable Sherrod Brown
Chairman
U.S. Senate Committee on Banking, Housing,
and Urban Affairs
534 Dirksen Senate Office Building
Washington, D.C. 20510

The Honorable Patrick J. Toomey
Ranking Member
U.S. Senate Committee on Banking, Housing,
and Urban Affairs
534 Dirksen Senate Office Building
Washington, D.C. 20510

Dear Chairman Brown and Ranking Member Toomey:

As national organizations committed to improving economic opportunity for Black communities, we write today to proudly endorse the nomination of Sandra L. Thompson to serve as Director of the Federal Housing Finance Agency (FHFA) and strongly encourage the Senate to expeditiously confirm her.

As the chief regulator of Fannie Mae, Freddie Mac, and the Federal Home Loan Banks (government-sponsored enterprises [GSEs]), FHFA and its Director play an outsized role in maintaining and promoting access to economic opportunity and stability in our nation. Homeownership remains one of the most important asset-building mechanisms through which Americans can create intergenerational wealth. Unfortunately, the typical white family has over [eight times the wealth](#) of the typical Black family, in part because the gap between Black and white homeownership rates remains [wider today](#) than it was under Jim Crow. Also, discrimination in the mortgage market, including in the [appraisals system](#), continues.

The COVID-19 pandemic, its related economic downturn, and the calls for racial equity over the past 18 months have cast a grim, but necessary, light on the true depth of economic inequality in this country. We need leaders who are committed to acting swiftly to begin turning the tide on a racial wealth divide that costs the American economy up to [\\$1.5 trillion per decade](#). [Research shows that wealth gaps caused by racial inequality](#), including housing disparities, cost the

economy \$16 trillion in lost GDP output over the past 20 years. Closing these gaps could grow the U.S. economy by \$5 trillion over a 5-year period.

Ms. Thompson has proven herself such a leader, as her credentials and [confirmation hearing](#) last month demonstrate. Her decades of deep experience in public service in housing finance—including at FHFA in the Division of Housing Mission and Goals—coupled with her unique ability to balance prioritizing integrity of financial markets with equitable access to capital make her extraordinarily well-suited for this important role.

Since her appointment as acting director in June 2021, Ms. Thompson has already demonstrated superb leadership, initiating vital actions to advance equity in the housing finance system, including:

- Issuing a [Policy Statement on Fair Lending](#) to communicate FHFA’s commitment to comprehensive fair lending oversight of GSEs;
- Signing a first-of-its-kind [Memorandum of Understanding \(MOU\)](#) with the U.S. Department of Housing and Urban Development (HUD) to advance fair housing and fair lending enforcement.
- [Eliminating the Adverse Market Refinance Fee](#) to help more low-to-moderate income families take advantage of low interest rates and to reduce housing costs;
- Proposing housing goals for the GSEs that promote equitable access to affordable housing that reaches underserved populations;
- Supporting the inclusion of rental payment history in risk assessment processes;
- Requiring the GSEs to submit [Equitable Housing Finance Plans](#) to identify and address barriers to fair and sustainable housing opportunities; and
- Publishing demographic data on the GSEs’ Housing Goals and Fair Lending to increase transparency on how underserved communities are being served.
- Issuing an [advisory bulletin](#), which states that Special Purpose Credit Programs (SPCPs) are a recognized exception to the fair lending laws.

In light of the persistent legacy of unequal access produced by generations of racially-restrictive covenants, redlining, and other forms of systemic racism in the housing and financial markets, our nation needs a proven leader such as Sandra L. Thompson to serve as Director of the FHFA. We wholeheartedly support Ms. Thompson’s efforts to promote a safer, sounder, fairer, and more affordable mortgage finance system for all, and we urge you to promptly confirm her to be Director of FHFA.

Sincerely,

Black Economic Alliance
Black Women's Roundtable
Joint Center for Political and Economic Studies
The Leadership Conference on Civil and Human Rights
NAACP
NAACP Legal Defense and Educational Fund, Inc.
National Action Network
National Bankers Association
The National Coalition on Black Civic Participation
National Fair Housing Alliance
National Urban League