



News Release

FHFA and Treasury Allow Fannie Mae and Freddie Mac to Continue to Retain Earnings

FOR IMMEDIATE RELEASE

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Washington, D.C. – The Federal Housing Finance Agency (FHFA) and the U.S. Department of the Treasury (Treasury) today announced amendments to the Preferred Stock Purchase Agreements (PSPAs). The amendments allow Fannie Mae and Freddie Mac (the Enterprises) to continue to retain earnings until they satisfy the requirements of the [2020 Enterprise capital rule](#).

“Today's agreement that allows Fannie Mae and Freddie Mac to continue retaining earnings is a step in the right direction, but more hard work remains,” said FHFA Director Mark Calabria. “Capital at Fannie Mae and Freddie Mac protects the housing finance system and taxpayers. Retained earnings alone are insufficient to adequately capitalize the Enterprises. Until the Enterprises can raise private capital, they are at risk of failing in the next housing crisis.”

Additionally, Treasury has agreed that the Enterprises can raise private capital and exit conservatorship once certain conditions are met. To facilitate Enterprise equity offerings, Treasury has committed to work to restructure its investment in each Enterprise.

[Letter Agreement for Fannie Mae](#)

[Letter Agreement for Freddie Mac](#)

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The Federal Housing Finance Agency regulates Fannie Mae, Freddie Mac and the 11 Federal Home Loan Banks. These government-sponsored enterprises provide more than \$6.7 trillion in funding for the U.S. mortgage markets and financial institutions. Additional information is available at www.FHFA.gov, on Twitter, [@FHFA](#), [YouTube](#), [Facebook](#), and [LinkedIn](#).

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