



U.S. FEDERAL HOUSING
AGENCY PERFORMANCE PLAN
FISCAL YEARS 2026/27

March 2026

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Mission

Ensure the operations and activities of each regulated entity foster liquid, efficient, competitive, and resilient national housing finance markets in a safe and sound manner.

Vision

Help restore the American dream of homeownership for ALL Americans.

Agency Overview

U.S. Federal Housing (Federal Housing Finance Agency, FHFA, or Agency) was established by the Housing and Economic Recovery Act of 2008 (HERA), which amended the Federal Housing Enterprises Financial Safety and Soundness Act of 1992 (Safety and Soundness Act). The Agency is responsible for the effective supervision, regulation, and mission oversight of the Federal National Mortgage Association (Fannie Mae); the Federal Home Loan Mortgage Corporation (Freddie Mac); U.S. Financial Technology (U.S. FinTech), originally founded as Common Securitization Solutions, LLC (CSS), a platform handling mortgage-backed securities for Fannie Mae and Freddie Mac; and the Federal Home Loan Bank System, which includes 11 Federal Home Loan Banks (FHLBanks) and the FHLBanks' joint Office of Finance (OF). The Agency works to ensure that Fannie Mae, Freddie Mac, and the FHLBanks (together, the regulated entities)¹ fulfill their mission by operating in a safe and sound manner so that they serve as a reliable source of liquidity and funding for housing finance throughout the economic cycle. U.S. Federal Housing has the statutory obligation to foster liquid, efficient, competitive, and resilient national housing finance markets, while ensuring that the regulated entities meet their fundamental safety and soundness obligations. Since September 6, 2008, the Agency has also served as the conservator of Fannie Mae and of Freddie Mac (together, the Enterprises).

¹ The Office of Finance (OF) and U.S. Financial Technology (U.S. FinTech) are not separate “regulated entities” as the term is defined by statute (see 12 U.S.C. § 4502(20)). Rather, OF is part of the FHLBank System, and U.S. FinTech is an affiliate of the Enterprises. However, for convenience, references to the “regulated entities” in this Report should be read to also apply to the OF and U.S. FinTech, unless otherwise noted.



The Strategic Plan and the Agency Performance Plan

The Fiscal Year (FY) 2026/27 Agency Performance Plan (APP) sets out performance measures and targets to support the goals of the *U.S. Federal Housing Strategic Plan: Fiscal Years 2026-2030* (Strategic Plan), which the Agency issued in March 2026.²

The APP has four components: (1) strategic goals; (2) strategic objectives; (3) performance measures and associated targets; and (4) means and strategies.

The **strategic goals**, outlined in the Strategic Plan, are the starting point for the FY 2026/27 APP. Including the goals in the APP aligns FHFA's annual priorities with the Agency's mission and vision.

The **strategic objectives** in the APP link directly to those outlined in the Strategic Plan. Each strategic objective is an intermediate outcome or output necessary to achieve the corresponding strategic goal.

The **performance measures** are short-term and long-term tasks that are ongoing or that FHFA expects to complete during FY 2026/27. These measures represent progress in achieving the strategic goals and are important indicators to management that FHFA is taking steps toward fulfilling the strategic objectives. The associated **targets** are internal milestones set by FHFA — indicating a time interval or other progress marker — to determine whether the Agency has satisfied a performance measure for the fiscal year.

While the **performance measures** indicate specific progress, each **strategic objective** also contains **means and strategies** serving as a broader set of activities that the Agency plans to follow to meet its goals.

² The *U.S. Federal Housing Strategic Plan: Fiscal Years 2026-2030* is available at: <https://www.fhfa.gov/reports/fhfa-strategic-plan/2026-2030>.



Strategic Goals and Objectives

The FY 2026/27 APP details the Agency’s strategic goals, strategic objectives, associated performance measures, and means and strategies. The APP also contains data validation and verification information for each strategic objective, describing the Agency’s process for determining if a performance measure is complete. The validation and verification information also helps ensure that the supporting data is accurate, reliable, and complete.

Strategic Goal 1	Strategic Objectives	
Responsibly Oversee Fannie Mae and Freddie Mac for the American People	1.1	Ensure the safety and soundness of the Enterprises and U.S. FinTech through risk-focused supervision
	1.2	Ensure the Enterprises fulfill all legal and statutory responsibilities
	1.3	Manage the conservatorships on behalf of the American people
	1.4	Identify and combat fraud and misconduct
	1.5	Reduce unnecessary regulatory burdens
	1.6	Support efforts to expand housing supply to meet national demand
Strategic Goal 2	Strategic Objectives	
Supervise the Federal Home Loan Bank System	2.1	Ensure the safety and soundness of the FHLBanks and Office of Finance through risk-focused supervision
	2.2	Ensure the FHLBanks fulfill all legal and statutory responsibilities
	2.3	Identify and combat fraud and misconduct
	2.4	Reduce unnecessary regulatory burdens
	2.5	Encourage efforts to expand housing supply to meet national demand
Strategic Goal 3	Strategic Objectives	
Efficiently Manage U.S. Federal Housing Operations	3.1	Ensure sound governance and good stewardship of taxpayer resources
	3.2	Deliver and support a modern IT infrastructure that ensures security and agility
	3.3	Fulfill statutory reporting requirements



I. Strategic Goal 1: Responsibly Oversee Fannie Mae and Freddie Mac for the American People

Currently, U.S. Federal Housing is both the regulator and conservator for the Enterprises. As regulator of the Enterprises, the Agency has a statutory duty to promote safe and sound operations at the regulated entities through its supervisory programs. U.S. Federal Housing uses a risk-focused approach to conduct supervisory examinations, which prioritizes examination activities based on the risk a given practice poses to a regulated entity’s safe and sound operation or its compliance with applicable laws and regulations. The Agency will assess the safe and sound operations of the Enterprises through examinations, ongoing monitoring, and off-site reviews, as appropriate. While the Enterprises are in conservatorship, U.S. Federal Housing, as conservator, also has a duty to preserve and conserve the assets and property of each Enterprise.

A. Strategic Objective 1.1: Ensure the safety and soundness of the Enterprises and U.S. FinTech through risk-focused supervision

During FY 2026/27, U.S. Federal Housing will use the following measures and means and strategies to accomplish Strategic Objective 1.1:

Measure		Target	Lead
1.1.1	Approve reports of examination for the Enterprises and U.S. FinTech	April 15	Division of Enterprise Regulation
1.1.2	Determine that the Enterprises have satisfactorily addressed safety and soundness Matters Requiring Attention in accordance with agreed upon remediation plans and timeframes	90 percent of the time	Division of Enterprise Regulation
1.1.3	Conduct reviews of the Enterprises’ compliance with Enterprise Regulatory Capital Framework (ERCF) public disclosure requirements	Quarterly	Division of Enterprise Regulation

Data Validation and Verification for Strategic Objective 1.1:

Measure 1.1.1 — U.S. Federal Housing will approve its ROE for each Enterprise and U.S. FinTech by April 15. Documentation of the Deputy Director’s approval and issuance of each ROE will be maintained electronically.



Measure 1.1.2 — Where there is a significant supervisory concern, U.S. Federal Housing will track the remediation of MRAs to ensure that the regulated entities address critical supervisory matters or deficiencies. U.S. Federal Housing will determine whether an Enterprise has satisfactorily addressed MRAs in accordance with agreed-upon remediation plans and timeframes. U.S. Federal Housing will maintain all MRAs and associated documentation electronically.

Measure 1.1.3 — U.S. Federal Housing will document its review and approval of each Enterprise’s quarterly ERCF public disclosure reports before publication. The disclosure reports must be published no later than 10 business days after each quarterly and year-end SEC filing. Documentation will be maintained electronically.

Means and Strategies for Strategic Objective 1.1:

1. Conduct risk-focused supervision and examination work and ensure the Enterprises and U.S. FinTech remediate supervisory concerns;
2. Ensure regulated entity compliance with applicable laws and regulations and adherence to financial standards;
3. Develop and administer supervisory tests, as appropriate;
4. Monitor emerging risks, industry trends, supervisory standards, and macroeconomic market conditions to inform risk assessments and adjust supervisory approaches, when appropriate; and
5. Ensure the Enterprises establish and monitor standards for sellers, servicers, and counterparties that strengthen the overall functioning and resiliency of the mortgage markets.

B. Strategic Objective 1.2: Ensure the Enterprises fulfill all legal and statutory responsibilities

During FY 2026/27, U.S. Federal Housing will use the following measures and means and strategies to accomplish Strategic Objective 1.2:

Measure		Target	Lead
1.2.1	Issue final determination letters for each Enterprise’s Housing Goals performance	Q1 FY 2026, Q1 FY 2027	Division of Housing Mission and Goals



Measure		Target	Lead
1.2.2	Issue ratings for each Enterprise’s Duty to Serve performance	Q1 FY 2026, Q1 FY 2027	Division of Housing Mission and Goals

Data Validation and Verification for Strategic Objective 1.2:

Measure 1.2.1 — The Agency will issue annual determination letters to each Enterprise during the first quarters of FYs 2026 and 2027.

Measure 1.2.2 — On an annual basis, the Agency assesses the Enterprises’ Duty to Serve (DTS) performance data and other results against the targets set in the DTS Underserved Market Plans. The Agency updates the publicly available DTS dashboards according to an established schedule and evaluates whether and how the Enterprises met their DTS performance targets in the Annual Housing Report, published each year by October 30.

Means and Strategies for Strategic Objective 1.2:

1. Ensure that the Enterprises comply with Affordable Housing Goals, Duty to Serve, Housing Trust Fund, Capital Magnet Fund, executive compensation, and other applicable statutory requirements; and
2. Ensure the Enterprises comply with their Charter Acts.

C. Strategic Objective 1.3: Manage the conservatorships on behalf of the American people

During FY 2026/27, U.S. Federal Housing will use the following measures and means and strategies to accomplish Strategic Objective 1.3:

Measure		Target	Lead
1.3.1	Conduct annual assessments of the Enterprises’ performance against Scorecard objectives	Q2 FY 2026, Q2 FY 2027	Division of Housing Mission and Goals
1.3.2	Communicate annual conservator decisions on the Enterprises’ administrative expenses	Q2 FY 2026, Q2 FY 2027	Division of Housing Mission and Goals



Data Validation and Verification for Strategic Objective 1.3:

Measure 1.3.1 — The measure will be met when the Agency communicates its assessments to the Enterprises.

Measure 1.3.2 — The measure will be met when the Agency communicates its decisions to the Enterprises.

Means and Strategies for Strategic Objective 1.3:

1. Communicate annual objectives, expectations, and priorities to the boards and management of the Enterprises;
2. Monitor the Enterprises’ boards and board-level committees and oversee the effectiveness of the corporate governance structure in line with conservatorship direction;
3. Conduct assessments of Enterprise performance against Agency priorities and objectives; and
4. Preserve and conserve assets while managing the conservatorships.

D. Strategic Objective 1.4: Identify and combat fraud and misconduct

During FY 2026/27, U.S. Federal Housing will use the following measures and means and strategies to accomplish Strategic Objective 1.4:

Measure		Target	Lead
1.4.1	Review advisory bulletins and other guidance to the Enterprises related to fraud reporting and other financial crimes and misconduct	Q4 FY 2026, Q4 FY 2027	Office of General Counsel
1.4.2	Implement a tracking or case management system to combat fraud and misconduct at the regulated entities ³	Q4 FY 2027	Office of General Counsel

Data Validation and Verification for Strategic Objective 1.4:

³ This measure also appears as 2.3.2 as it applies to both the Enterprises and the FHLBanks.



Measure 1.4.1 — The measure will be met in FY 2026 when the Agency documents that it has reviewed each Advisory Bulletin applicable to the Enterprises that relates to financial crimes and misconduct and made appropriate changes for legal sufficiency, form, and policy. The measure will be met in FY 2027 when the Agency documents that it has reviewed each relevant Examination Module (or other supervisory materials) pertaining to the Bank Secrecy Act (BSA) and Anti-Money Laundering (AML) and made appropriate changes for legal sufficiency, form, and policy.

Measure 1.4.2 — By the end of FY 2027, the Agency will implement a tracking or case management system to combat fraud and misconduct.

Means and Strategies for Strategic Objective 1.4:

1. Enhance and enforce strong standards that protect taxpayers; and
2. Support anti-fraud related reporting and information sharing.

E. Strategic Objective 1.5: Reduce unnecessary regulatory burdens

During FY 2026/27, U.S. Federal Housing will use the following measures and means and strategies to accomplish Strategic Objective 1.5:

Measure		Target	Lead
1.5.1	Publish a proposed rule updating the Duty to Serve regulation	Q4 FY 2026	Division of Housing Mission and Goals
1.5.2	Publish final rule updating the Duty to Serve regulation	Q4 FY 2027	Division of Housing Mission and Goals

Data Validation and Verification for Strategic Objective 1.5:

Measure 1.5.1 —The Agency will publish the proposed rule in the Federal Register.

Measure 1.5.2 — The Agency will publish the final rule in the Federal Register and on FHFA’s website.

Means and Strategies for Strategic Objective 1.5:

1. Comply with Executive Orders related to promoting prosperity for Americans through deregulation; and



2. Identify and remediate regulations that are overburdensome, costly, and inconsistent with efficient operations of the Enterprises.

F. Strategic Objective 1.6: Support efforts to expand housing supply to meet national demand

During FY 2026/27, U.S. Federal Housing will use the following measures and means and strategies to accomplish Strategic Objective 1.6:

Measure		Target	Lead
1.6.1	Publish final housing goals rule to ensure middle-class Americans have access to a liquid secondary mortgage market	Q1 FY 2026	Division of Housing Mission and Goals
1.6.2	Ensure that the Enterprises’ Low-Income Housing Tax Credit (LIHTC) investments support hard-to-fund projects	FY 2026 and FY 2027: Investments made after an Enterprise’s annual LIHTC portfolio reaches \$1 billion must fund projects that have difficulty attracting investors. ⁴	Division of Housing Mission and Goals

Data Validation and Verification for Strategic Objective 1.6:

Measure 1.6.1 —The Agency will publish the final rule in the Federal Register and on the Agency’s website.

Measure 1.6.2 — When the Agency determines that the Enterprises have met the requirements for investing in hard-to-fund LIHTC transactions for the designated calendar year, U.S. Federal Housing will have met the target. The status of the measure is tracked quarterly through reporting submitted by the Enterprises. Reports are stored electronically.

Means and Strategies for Strategic Objective 1.6:

⁴ The total annual LIHTC portfolio for each Enterprise is capped at \$2 billion.



1. Ensure the Enterprises support the Low-Income Housing Tax Credit investment market;
and
2. Encourage the Enterprises to explore opportunities to address the national housing supply crisis.



II. Strategic Goal 2: Supervise the Federal Home Loan Bank System

As regulator of the FHLBank System, U.S. Federal Housing has a statutory duty to promote safe and sound operations at the Agency’s regulated entities through its supervisory programs. The Agency will assess the safe and sound operations of the FHLBanks and Office of Finance through continuous supervision consisting of targeted examinations and ongoing monitoring, as appropriate.

A. Strategic Objective 2.1: Ensure the safety and soundness of the FHLBanks and Office of Finance through risk-focused supervision

During FY 2026/27, U.S. Federal Housing will use the following measures and means and strategies to accomplish Strategic Objective 2.1:

Measure		Target	Lead
2.1.1	Approve reports of examination for the FHLBanks or the Office of Finance	Three per quarter	Division of FHLBank Regulation
2.1.2	Ensure each FHLBank is adequately capitalized	Quarterly	Division of FHLBank Regulation
2.1.3	Determine that the FHLBanks and Office of Finance have satisfactorily addressed safety and soundness Matters Requiring Attention in accordance with agreed upon remediation plans and timeframes	90 percent of the time	Division of FHLBank Regulation

Data Validation and Verification for Strategic Objective 2.1:

Measure 2.1.1 — FHFA will approve three reports of examination (ROE) for FHLBanks or Office of Finance each quarter.



Measure 2.1.2 — FHFA will monitor the capital positions of the FHLBanks and their compliance with capital regulations. The Agency will determine compliance each quarter automatically through the Call Report System (CRS) or the discretion of the Director. A letter sent by the end of the following quarter will inform each FHLBank that it has met one of four capital classifications: adequately capitalized, undercapitalized, significantly undercapitalized, or critically undercapitalized. Letters to the FHLBanks will be maintained electronically. Also, as required by statute, FHFA will provide written notice of its quarterly capital classification determinations to the Committee on Banking, Housing, and Urban Affairs of the Senate and the Committee on Financial Services of the House of Representatives.

Measure 2.1.3 — Where there is a significant supervisory concern, FHFA will track the remediation of MRAs to ensure that the regulated entities address critical matters or deficiencies. For the FHLBank System, FHFA will determine whether MRAs were addressed by the FHLBank within agreed-upon timeframes. FHFA will maintain all MRAs and associated documentation electronically.

Means and Strategies for Strategic Objective 2.1:

1. Conduct risk-focused supervision and examination work and ensure the FHLBanks and Office of Finance remediate supervisory concerns;
2. Ensure regulated entity compliance with laws and regulations and adherence to financial standards;
3. Develop and administer supervisory tests, as appropriate; and
4. Monitor emerging risks, industry trends, supervisory standards, and macroeconomic market conditions to inform risk assessments and adjust supervisory approaches, when appropriate.

B. Strategic Objective 2.2: Ensure the FHLBanks fulfill all legal and statutory responsibilities

During FY 2026/27, U.S. Federal Housing will use the following measures and means and strategies to accomplish Strategic Objective 2.2:

Measure		Target	Lead
2.2.1	Issue final determination letters for each FHLBank’s housing goals performance	Q4 FY 2026, Q4 FY 2027	Division of Housing Mission and Goals

Data Validation and Verification for Strategic Objective 2.2:



Measure 2.2.1 — The Agency will issue annual final determination letters to each FHLBank during the fourth quarters of FYs 2026 and 2027.

Means and Strategies for Strategic Objective 2.2:

1. Ensure the FHLBanks serve as a source of stable and reliable liquidity for their member institutions; and
2. Ensure FHLBank compliance with Affordable Housing Program (AHP), Housing Goals, Community Investment Cash Advances, Community Investment Program, Community Support Program, and other applicable statutory requirements.

C. Strategic Objective 2.3: Identify and combat fraud and misconduct

During FY 2026/27, U.S. Federal Housing will use the following measures and means and strategies to accomplish Strategic Objective 2.3:

Measure		Target	Lead
2.3.1	Review advisory bulletins and other guidance to the FHLBanks related to fraud reporting and other financial crimes and misconduct	Q4 FY 2026	Office of General Counsel
2.3.2	Implement a tracking or case management system to combat fraud and misconduct at the regulated entities ⁵	Q4 FY 2027	Office of General Counsel

Data Validation and Verification for Strategic Objective 2.3:

Measure 2.3.1 — For FY 2026, U.S. Federal Housing will have met the target when the Agency has completed its review and updated each relevant Advisory Bulletin pertaining to financial crimes and misconduct.

⁵ This measure also appears as 1.4.2 as it applies to both the Enterprises and the FHLBanks.



Measure 2.3.2 —For FY 2027, the Agency will meet the target when it implements a tracking or case management system to combat fraud and misconduct.

Means and Strategies for Strategic Objective 2.3:

1. Enhance and enforce strong standards that protect taxpayers; and
2. Support anti-fraud related reporting and information sharing.

D. Strategic Objective 2.4: Reduce unnecessary regulatory burdens

During FY 2026/27, U.S. Federal Housing will use the following measures and means and strategies to accomplish Strategic Objective 2.4:

Measure		Target	Lead
2.4.1	Submit to OMB a draft notice of proposed rulemaking repealing the FHLBank New Business Activities rule	Q4 FY 2026	Office of General Counsel
2.4.2	Assess FHLBank Advisory Bulletins	Q4 FY 2026	Division of FHLBank Regulation
2.4.3	Submit to OMB revised drafts of active FHLBank ABs that require updates	Q4 FY 2027	Division of FHLBank Regulation

Data Validation and Verification for Strategic Objective 2.4:

Measure 2.4.1 — The Agency will submit to the Office of Management and Budget (OMB) a draft notice of proposed rulemaking by the fourth quarter of FY 2026.

Measure 2.4.2 — The Agency will complete its assessment of FHLBank Advisory Bulletins (ABs) and rescind ABs determined to be outdated (or, where applicable, submit proposed rescissions to OMB) by the fourth quarter of 2026.

Measure 2.4.3 — The Agency will submit to OMB revised draft updates of FHLBank ABs by the fourth quarter of FY 2027.

Means and Strategies for Strategic Objective 2.4:



1. Comply with Executive Orders related to promoting prosperity for Americans through deregulation; and
2. Identify and remediate regulations that are overburdensome, costly, and inconsistent with efficient operations of the FHLBanks.

E. Strategic Objective 2.5: Encourage efforts to expand housing supply to meet national demand

During FY 2026/27, U.S. Federal Housing will use the following measures and means and strategies to accomplish Strategic Objective 2.5:

Measure		Target	Lead
2.5.1	Conduct quarterly monitoring of the Affordable Housing Program	Q4 FY 2026, Q4 FY 2027	Division of Housing Mission and Goals

Data Validation and Verification for Strategic Objective 2.5:

Measure 2.5.1 — The measure will have been met through the completion of internal Agency meeting notes.

Means and Strategies for Strategic Objective 2.5:

1. Support creation of initiatives to develop new housing supply and rehabilitate existing housing stock; and
2. Ensure the FHLBanks leverage the AHP and other programs to address critical housing supply needs in their districts.



III. Strategic Goal 3: Efficiently Manage U.S. Federal Housing Operations

U.S. Federal Housing will streamline and modernize core operational processes to ensure timely, accurate, and cost-effective delivery of services that support the stability of the mortgage markets. The Agency also will leverage data, technology, and disciplined performance and financial management, to reduce inefficiencies, strengthen internal controls, and enhance the ability to meet the Agency’s mission with agility and accountability. Additionally, the Agency will ensure full compliance with all statutory reporting requirements, including publishing trends in house prices and reporting on the housing activities of the Enterprises and the FHLBanks.

A. Strategic Objective 3.1: Ensure sound governance and good stewardship of taxpayer resources

During FY 2026/27, U.S. Federal Housing will use the following measures and means and strategies to accomplish Strategic Objective 3.1:

Measure		Target	Lead
3.1.1	Ensure FHFA's audited financial statements receive an unmodified opinion and contain no material weaknesses	100 percent of the time	Office of the Chief Operating Officer
3.1.2	Review and assess standard operating procedures for human resources quarterly	Two reviews per quarter	Office of the Chief Operating Officer
3.1.3	Complete corrective actions to address FHFA Office of Inspector General recommendations in a timely manner	90 percent of the corrective actions to address FHFA Office of Inspector General recommendations are completed within the approved timeframe.	Office of the Chief Operating Officer

Data Validation and Verification for Strategic Objective 3.1:

Measure 3.1.1 — The Government Accountability Office’s (GAO) Independent Audit Report covering the audit of FHFA’s financial statements will contain details on any material



weaknesses identified during the audit. The audit report is published in the annual Performance and Accountability Report (PAR) and on GAO’s website.

Measure 3.1.2 — U.S. Federal Housing will report progress quarterly on reviewing and assessing standard operating procedures for human resources-related Executive Orders and other guidance from OMB and OPM, to determine if they are in alignment with instructions and/or requirements.

Measure 3.1.3 — FHFA will review the corrective actions to address FHFA Office of Inspector General recommendations to determine if they were completed within the timeframe approved by the FHFA Audit Follow-up Official. Information is maintained in the enterprise governance, risk, and compliance (eGRC) system.

Means and Strategies for Strategic Objective 3.1:

1. Develop and strengthen internal controls and risk management to ensure compliance and operational resilience;
2. Produce financial statements that demonstrate a commitment to compliance, transparency, and accountability;
3. Execute an employee performance management system that drives a high-performance, high-accountability culture;
4. Implement strong operational and risk management practices that effectively assess, mitigate, and respond to fraud, waste, and abuse; and
5. Comply with the Executive Order, “Ensuring Accountability for All Agencies,” and other related guidance.

B. Strategic Objective 3.2: Deliver and support a modern IT infrastructure that ensures security and agility

During FY 2026/27, U.S. Federal Housing will use the following measures and means and strategies to accomplish Strategic Objective 3.2:

Measure		Target	Lead
3.2.1	Automatically block network intrusion attempts with security defenses	95 percent of the time	Office of the Chief Operating Officer
3.2.2	Conduct Agency phishing simulations to effectively train personnel to combat attempted cyberattacks	At least 15 credible email phishing simulations	Office of the Chief Operating Officer



Data Validation and Verification for Strategic Objective 3.2:

Measure 3.2.1 — FHFA actively monitors and analyzes network intrusion attempts in real time. Many of these attempts are automatically identified, validated, and blocked using advanced cyber threat intelligence and response technologies. Suspicious attempts that require further investigation are quarantined and manually reviewed by FHFA personnel to confirm their validity. The number of intrusion attempts blocked will be calculated by dividing the total number of malicious events stopped by the total number of attempts. All findings from the analysis will be recorded electronically to guide ongoing improvements and ensure future cybersecurity efforts remain robust and effective.

Measure 3.2.2 — FHFA will conduct at least 15 highly credible, simulated phishing email campaigns throughout the year designed to imitate bad actors attempting to deceive FHFA staff into clicking malicious links. FHFA will set the strength of these simulations, on a scale from zero to 5, at 4 or higher. These simulations will adhere to guidelines set by the National Institute of Standards and Technology (NIST). They will leverage cyber threat intelligence and real-world events, providing advanced and complex scenarios to enhance cybersecurity readiness across the Agency. The results of each simulation will be stored and maintained for further analysis and to improve future cybersecurity efforts.

Means and Strategies for Strategic Objective 3.2:

1. Modernize core systems and workflows to reduce manual processes and accelerate service delivery;
2. Maintain and enhance the resilience and availability of IT resources and systems;
3. Protect against cyber attacks and infiltrations of IT systems;
4. Ensure critical computer systems are readily available to staff with minimal downtime;
5. Leverage data and technology tools to increase the productivity of U.S. Federal Housing staff; and
6. Improve data governance and management while expanding the Agency’s ability to make use of advanced analytics, including emerging AI technologies.

C. Strategic Objective 3.3: Fulfill statutory reporting requirements

During FY 2026/27, U.S. Federal Housing will use the following measures and means and strategies to accomplish Strategic Objective 3.3:



Measure		Target	Lead
3.3.1	Publish Annual Housing Report	Q1 FY 2026, Q1 FY 2027	Division of Housing Mission and Goals
3.3.2	Publish FHFA House Price Indexes (HPI®)	Quarterly	Division of Housing Mission and Goals

Data Validation and Verification for Strategic Objective 3.3:

Measure 3.3.1 — The Agency publishes the Annual Housing Report annually by October 30.

Measure 3.3.2 — The Agency will announce the scheduled issuance dates of the HPI and will publish the HPI on the Agency’s website. Prior to publication, an internal team will review and validate the HPI levels, including the underlying data, to ensure that the indexes are published using the standard “repeat-transactions” methodology. Four of the monthly releases will also contain a quarterly update.

Means and Strategies for Strategic Objective 3.3:

1. Analyze and publish trends in house prices;
2. Publish analysis and data on the housing activities of the Enterprises; and
3. Submit mandated reports to Congress by applicable statutory deadlines.



Accuracy and Reliability of Performance Data

To ensure that U.S. Federal Housing's FY 2025 performance data is complete and reliable, the Agency identifies, verifies, and validates the data for each performance measure. Furthermore, every quarter, each office or division collects performance data for its measures and reports the results in the Agency's performance tracking system. U.S. Federal Housing staff follow documented performance tracking and verification procedures to verify and validate the data provided to ensure that the information is accurate and complete. Agency staff review the information provided by offices on their performance measures on a quarterly basis, verifying and validating supporting data and documents for completeness, clarity, relevance, and accuracy. A quarterly report summarizing this information is sent to senior management officials.

During the performance tracking cycle, offices provide the following information for each performance measure:

1. Definition of the performance measure;
2. Relevance of the performance measure;
3. Data source;
4. Process for calculating or tabulating the performance data;
5. Process for validating and verifying the data;
6. Responsible office/division and manager;
7. Location of documentation; and
8. Data constraints.

Low Priority Programs

U.S. Federal Housing has not identified any low priority programs.

Major Management Challenges

U.S. Federal Housing management has identified the following priorities and anticipated challenges for the Agency to focus on going forward as it works to fulfill its mission.

Responsibly Oversee Fannie Mae and Freddie Mac for the American People

Currently, U.S. Federal Housing is both the regulator and conservator for Fannie Mae and Freddie Mac (the Enterprises). As regulator of the Enterprises, the Agency has a statutory duty to promote safe and sound operations at the regulated entities through its supervisory programs. U.S. Federal Housing uses a risk-focused approach to conduct supervisory examinations, which



prioritizes examination activities based on the risk a given practice poses to a regulated entity's safe and sound operation or its compliance with applicable laws and regulations. The Agency will assess the safe and sound operations of the Enterprises through examinations, ongoing monitoring, and off-site reviews, as appropriate. While the Enterprises are in conservatorship, U.S. Federal Housing, as conservator, also has a duty to preserve and conserve the assets and property of each Enterprise.

The Agency's ability to achieve effective oversight of the Enterprises and the Federal Home Loan Bank System could be hindered if any of the regulated entities lack the financial strength to continue providing liquidity to the mortgage market and performing their other obligations. Currently, U.S. Federal Housing does not have statutory authority to oversee third-party service providers. These third-party relationships can potentially pose risks related to mortgage origination and servicing, information security, and business continuity, among other issues. As a result, while U.S. Federal Housing requires each regulated entity to implement a program to manage such third-party risks, the Agency has limited authority to assess the impact of third-party relationships on the operations of its regulated entities. These factors could interfere with the Agency's ability to ensure the resilience of the nation's mortgage markets.

Supervise the Federal Home Loan Bank System

As regulator of the Federal Home Loan Bank (FHLBank) System, U.S. Federal Housing has a statutory duty to promote safe and sound operations at the Agency's regulated entities through its supervisory programs. The Agency will assess the safe and sound operations of the FHLBanks and Office of Finance through continuous supervision consisting of targeted examinations and ongoing monitoring, as appropriate.

Efficiently Manage Agency Operations

U.S. Federal Housing will streamline and modernize core operational processes to ensure timely, accurate, and cost-effective delivery of services that support the stability of the mortgage markets. The Agency also will leverage data, technology, and disciplined performance and financial management, to reduce inefficiencies, strengthen internal controls, and enhance the ability to meet the Agency's mission with agility and accountability. Additionally, the Agency will ensure full compliance with all statutory reporting requirements, including publishing trends in house prices and reporting on the housing activities of the Enterprises and the FHLBanks.

One challenge U.S. Federal Housing faces in this area are constant threats from cyber attacks, which the Agency combats by deploying technology to block network intrusion attempts. The Agency also proactively educates its staff on maintaining awareness of cyber-attack tactics to ensure they are prepared to maintain a strong defense against malicious actors.



Program Evaluations

U.S. Federal Housing uses the budget development process to determine resource needs and to allocate resources to meet the Agency's strategic goals. The Agency's Audit, Risk, and Control Committee meets quarterly to review the results of internal and external reviews, evaluations, and audits. The committee tracks and evaluates audit findings to determine if a remediation action has been implemented to address deficiencies in Agency activities. Committee activities help inform the Agency's determination of the adequacy of its internal controls under OMB Circular A-123. U.S. Federal Housing also performs internal reviews of various programs and functions.

U.S. Federal Housing monitors and tracks program performance to ensure that the Agency's goals are meaningful and that the strategies for achieving them are effective. The Agency conducts quarterly reviews of the performance measures, providing an opportunity for the Agency to assess performance collectively and consider corrective measures where necessary.

Additionally, the FHFA OIG plays a role in program evaluation by conducting reviews of various aspects of Agency operations. Under the requirements of HERA, GAO also conducts financial statement audits and other reviews of the Agency. U.S. Federal Housing uses the findings and/or recommendations from OIG and GAO to make improvements to Agency operations.

The Agency also participates in OMB initiatives to implement best practices designed to strengthen and improve performance across the federal government.

Cross-Agency Collaboration

FHFA will continue to work closely with the Financial Stability Oversight Council and its member agencies to identify emerging risks and mitigate systemic threats to the financial system through ongoing market surveillance and timely dissemination of information. The Council has 15 members. In addition to the Director of U.S. Federal Housing, the members are:

- the Secretary of the Treasury, who serves as the Chair of the Council
- the Chairman of the Board of Governors of the Federal Reserve System
- the Comptroller of the Currency (OCC)
- the Director of the Consumer Financial Protection Bureau (CFPB)
- the Chairman of the Securities and Exchange Commission (SEC)



- the Chairman of the Federal Deposit Insurance Corporation (FDIC)
- the Chairman of the Commodity Futures Trading Commission (CFTC)
- the Chairman of the National Credit Union Administration (NCUA)
- an independent member with insurance expertise who is appointed by the President and confirmed by the Senate for a six-year term
- the Director of the Office of Financial Research
- the Director of the U.S. Treasury's Federal Insurance Office
- a state insurance commissioner designated by the state insurance commissioners
- a state banking supervisor designated by the state banking supervisors
- a state securities commissioner (or officer performing like functions) designated by the state securities commissioners

