



FEDERAL HOUSING FINANCE AGENCY

Office of the Director

April 30, 2021

Commercial Real Estate Finance Council
Council for Affordable and Rural Housing
Mortgage Bankers Association
National Apartment Association
National Affordable Housing Management Association
National Association of Home Builders
National Association of Housing Cooperatives
National Association of Realtors
National Leased Housing Association
National Multifamily Housing Council

Dear Stakeholders:

Thank you for your letter dated March 31, 2021, concerning the Federal Housing Finance Agency's (FHFA) review of Fannie Mae and Freddie Mac's (the Enterprises) policies to protect multifamily renters from radon exposure.

Radon presents a serious public health challenge for occupants of multifamily buildings, especially for tenants living in ground floor units. FHFA is committed to ensuring the Enterprises continue to establish appropriate standards related to radon and other environmental hazards in their multifamily selling and servicing guides. For these reasons, FHFA is reviewing the Enterprises' radon standards to confirm they are comprehensive, data informed, understood by lenders, and properly implemented and enforced.

FHFA recognizes the need for a reasonable and transparent process to establish new radon protocols, to implement the standards successfully, and to mitigate against the possibility of market disruption. Accordingly, feedback from property owners, lenders, technical experts, and other stakeholders on the implications of adopting new radon policies, along with the recommendations identified in your letter, will inform our decision making.

FHFA is currently evaluating several factors that could impact the feasibility of radon testing and mitigation, including cost, industry capacity, expediency, and certification requirements. Balancing these factors is necessary to ensure the final radon policy is prudent, responsible, and sufficiently thorough. FHFA is also aware there are information gaps regarding radon in multifamily buildings and is identifying opportunities for data collection and field research that will serve to provide an informed basis for our decision making in the future.

If you would like to further discuss your recommendations for the Enterprises' radon policies, please contact Siobhan Kelly, of FHFA's Office of Multifamily Analytics and Policy, at Siobhan.Kelly@fhfa.gov or (202) 505-0913.

Sincerely,

A handwritten signature in black ink, appearing to read "MaCal", with a stylized flourish at the end.

Mark A. Calabria