

[Home](#) > [News](#) > [News Releases](#) > Fannie Mae and Freddie Mac Remove Certain Homeowners Insurance Requirements That Will Reduce Costs

## News Release

# Fannie Mae and Freddie Mac Remove Certain Homeowners Insurance Requirements That Will Reduce Costs

FOR IMMEDIATE RELEASE

03/18/2026

**Washington, D.C.** — American homebuyers are about to get a break. New rules for Fannie Mae and Freddie Mac mortgages will help to lower home insurance bills for millions of families, especially in rural areas and condo buildings. The changes fix expensive, stupid Biden-era requirements with simple, common-sense updates that respond to today's skyrocketing insurance prices.

"Thanks to President Trump's landslide victory, we are replacing a disruptive and expensive Biden insurance mandate with commonsense policies for today's market," said FHFA Director William J. Pulte. "Lower insurance costs and mortgage rates shrink the monthly payment of a new mortgage, giving new homebuyers confidence that they can afford the American dream."

"Imposing higher costs on families and limiting consumer choice was another outrageous example of big government overreach by the Biden Administration. I'm grateful to the Trump Administration and Federal Housing Director Pulte for working with me to repeal this harmful mandate, giving families the flexibility they need and ensuring rural communities have better access to choose an insurance plan that best reflects their needs," said Senator Eric Schmitt.

## What's Actually Changing

### 1. Big Wins for Condo Owners and Buyers

- Condo buildings can now use the cheaper ACV roof coverage.
- The complicated "maximum per-unit deductible" rule has been simplified.
- Result: Many condo buildings that were getting priced out of the mortgage market will now qualify again.

### 2. A Confusing 2024 Rule Is Gone

- The agencies are scrapping an unnecessary "clarification" from 2024 that would have slowed down insurance claims and driven up costs for no good reason.

### 3. Roof Insurance Gets Way More Affordable

- Fannie and Freddie will now accept Actual Cash Value (ACV) coverage on roofs for single-family homes and condos.  
→ ACV pays what your roof is actually worth today.
- The rest of the house still gets full Replacement Cost Value (RCV) protection – meaning it will be rebuilt brand-new if disaster hits.
- This fixes a real problem: full replacement roof coverage has become ridiculously expensive and hard to find in many states.

These updates mean lower monthly payments, more first-time buyers able to close on homes, and rural communities keeping access to insurance they were at risk of losing. Homeowners still get strong protection – just at prices that actually make sense in 2026. Bottom Line: if you're buying a home or condo, or already own one with a Fannie or Freddie mortgage, your insurance bill just got easier to swallow.

[Fannie Mae Update](#)

[Freddie Mac Update](#)

###

The Federal Housing Finance Agency regulates Fannie Mae, Freddie Mac, and the 11 Federal Home Loan Banks. These government-sponsored enterprises provide more than \$8.5 trillion in funding for the U.S. mortgage markets and financial institutions. Additional information is available at [www.FHFA.gov](http://www.FHFA.gov), on X [@FHFA](#), [YouTube](#), [Facebook](#), and [LinkedIn](#).

**Contacts:** [MediaInquiries@FHFA.gov](mailto:MediaInquiries@FHFA.gov)

