



The Daily Dish

Crypto Enters the GSEs

DOUGLAS HOLTZ-EAKIN | MARCH 30, 2026

In June 2025, Federal Housing Finance Agency (FHFA) Director Bill Pulte [took to X](#) to announce “today I ordered the Great Fannie Mae and Freddie Mac to prepare their businesses to count cryptocurrency as an asset for a mortgage.” It was a seemingly earth-shaking announcement in housing finance, but it was also entirely too cryptic to understand its implications.

This past week, the first concrete step toward crypto in the government-sponsored enterprises (GSEs) appeared. *The Wall Street Journal* [reported](#):

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What does this mean? There are two loans from the originator. The first is a plain vanilla mortgage that conforms to Fannie Mae’s requirements so that it can be sold to the GSE. The second loan is for the borrower to have the cash for the downpayment. It is secured by the borrower’s crypto and a second lien on the house.

Notice that a straightforward alternative would be for the borrower to simply sell the crypto holdings, make the cash downpayment, and take out the conforming mortgage. Why do it this way?

From the borrower's point of view, they get to avoid having to pay any capital gains taxes on the sale, and participate in any upside in the value of the crypto holdings. From the crypto platforms' point of view, they continue their customer relationship, hold their crypto as collateral for the downpayment loan, and earn some money on the mortgage loans.

But how should we think of this from the Fannie Mae point of view and, especially, the taxpayer backing it? Notice that the borrower has two loans instead of one. All else being the same, this is a riskier proposition. Still, what really matters is the overall debt-to-income level, and that could be just fine. Also, there are mortgage borrowers who borrow their downpayment, from an Individual Retirement Account (IRA) for example.

Thus, the key issue is really this: Is crypto really riskier than other assets, so that a dollar of crypto should be discounted relative to the more traditional assets? Or, closely related, is Fannie Mae well-positioned enough to actually monitor and measure the risks in this non-traditional asset space?

In sum, the move to crypto is relatively modest and its implications, while not obvious, appear less than earthshaking.