



Press Release

The State of Housing Finance

ALLIE WATSON | MAY 22, 2025

Evidence is mounting of a growing housing crisis in the United States, as shelter remains a key component of stubborn inflation. In a new insight, Director of Financial Services Policy Thomas Kingsley walks through key drivers of the housing shortage, and what Congress and the administration should – and should not – do to improve the situation.

He concludes:

That the shelter aspect of inflation refuses to budge should be sounding alarm bells across Congress and the administration. The unaffordability of housing is poised to be the single most important policy issue facing governments for the next decade. Now is the time for policymakers to lower the barriers to new construction and thoughtfully reform and reduce the role played by the GSEs in housing finance. Policy solutions are necessarily complex, nuanced, and will take time. Destabilizing tariffs, a crackdown on immigration, selling the GSEs and firing vast swathes of the federal government tasked with housing risk turning a housing crisis into a financial crisis.

[Read the analysis.](#)