

Testimony of Alanna McCargo
Nominee to be President of the Government National Mortgage Association (Ginnie Mae)
U.S. Department of Housing and Urban Development
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Chairman Brown, Ranking Member Toomey, and Members of the Committee, it is an honor to appear before you as you consider my nomination to serve as the next President of the Government National Mortgage Association, or Ginnie Mae.

I am grateful to President Biden for nominating me and thank Secretary Fudge for her leadership and vision for the Department of Housing and Urban Development (HUD) and in trusting me to lead Ginnie Mae. The historic significance of being the first woman nominated to this role since Ginnie Mae was created in 1968 is a distinct honor.

My husband Jay McCargo and my daughter Alexandra are here with me today and I thank them for being a loving source of inspiration, encouragement, and support. I want to thank my family members and friends watching virtually, and acknowledge my mother, Veronica Malveaux Brown, who has been my wise and faithful guide through life. I would also like to especially thank my amazing sons, Gerrad and Jay-Jay.

Nearly 20 years ago, I came to Washington, DC to work on affordable housing programs at Fannie Mae. I spent a decade there including the years of the Global Financial Crisis in 2008 which led to a U.S. housing market meltdown that ultimately left tens of millions of people without homes and with lost wealth.

Those years became an inflection point for me. I learned how fragile the system that supported housing and homeownership in America is and how quickly things could change. I saw the devastating effects that rippled across neighborhoods and households. It was heart wrenching to see so many people in financial distress and despair and disheartening to find that many who were losing their homes to foreclosure and eviction during that time looked like me and my children.

That experience changed my perspective and helped sharpen my purpose. Stable, affordable, and accessible housing has since been at the core of my professional work in the private sector, in the nonprofit policy research work I led at the Urban Institute, and now in my public sector work with the Biden-Harris Administration at HUD.

My career in housing finance and passion for the field of affordable housing is driven by my own lived experience. I understand how powerful asset building, and access to credit and financing are to personal financial security. Property and home ownership have been vital to my own family for generations. And I recognize that my personal story is often not typical for a Black family.

My mother grew up on a farm that my grandfather owned in a small town near Opelousas, Louisiana where she picked cotton and canned and farmed vegetables. Our family roots of

property ownership are deep and have created a value system through generations of Black farm and landowners in my lineage. My father was an immigrant from Jamaica who came to New York and became a US citizen as a child and joined the Navy after high school.

In 1969, just one year after the Fair Housing Act was passed and racial discrimination in housing became illegal, my parents purchased a 4-unit home in a highly segregated area of the Bronx for \$30,000 with some savings and a small VA mortgage loan. We lived in one of the apartments and rented out the others. My parents later bought a home in the New York suburbs in search of better schools and a safer neighborhood and kept the house in the Bronx as a source of extra rental income.

My parents built a strong foundation for our family through homeownership. They were able to pass those benefits on to me and my siblings in the form of college tuition payments helping us avoid student loan debt. They helped me with a gift to purchase my first home, which I was able to finance with a low-down payment FHA mortgage.

Far too many people do not get the opportunity to plant seeds of ownership because housing is grossly unaffordable, it's impossible to save, or they lack resources or don't have parents who can help them get started. Government mortgage programs help enable homeownership opportunity.

Ginnie Mae's guaranty enables the work of key government housing programs that play an essential role in housing America's veterans, low- and moderate-income households, urban, rural, and tribal communities and helps expand access to affordable homeownership and rental for the historically and systematically underserved. In 2020, more than 70% of all people served by Ginnie Mae securities were first time homebuyers.

Ginnie Mae has remained stable and reliable while quietly supporting affordable rental and homeownership for millions of people. If confirmed, I will be a faithful steward of Ginnie Mae, ensuring the program stays focused on its critical mission, keeps pace with a rapidly changing market, attracts global capital into America's housing finance system, and protects American taxpayers.

I look forward to leading an incredibly dedicated team of public servants at Ginnie Mae and to working with this committee, Secretary Fudge, and housing stakeholders across the globe to ensure stability, liquidity, affordability, and equity in our housing finance system.

Thank you for the opportunity to testify today. I look forward to your questions.

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