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## Fannie Mae to Accept Crypto-Backed Mortgages

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The mortgage-finance giant

Fannie Mae will soon accept so-called crypto-backed mortgages for the first time, the latest expansion of cryptocurrencies into mainstream financial transactions.

The mortgage company Better Home & Finance and the U.S. crypto exchange Coinbase Global unveiled a new mortgage product Thursday that allows home buyers to pledge their crypto holdings when getting a Fannie-backed mortgage, instead of selling the crypto to make a cash down payment.

This isn't the first crypto mortgage offering, but Fannie's involvement could make these types of products more mainstream. Fannie is backed by the federal government and overseen by the Federal Housing Finance Agency.

The Trump administration has been generally supportive of the crypto industry. In June, FHFA Director Bill Pulte cited that support in directing Fannie and its sister company, Freddie Mac, to prepare to count crypto as an asset on mortgage applications.

About 14% of American adults owned cryptocurrencies in 2025, according to Gallup. Bitcoin prices have pulled back significantly in recent months, with prices down more than 40% since peaking in October.

A 2025 Redfin survey found that almost 13% of millennial and Gen Z recent home buyers sold crypto investments to help fund their down payments.

The goal is to tap in to demand from potential home buyers who don't want to use their cash savings for a down payment and don't want to sell their crypto investments, often either because they want to avoid a capital-gains tax bill or because they want to maintain exposure to crypto markets.

"A lot of those crypto owners and investors have not been able to become homeowners," because they don't want to sell their crypto investments, said Max Branzburg, Coinbase's head of consumer and business products. "We haven't really had the best way to service that need."

The new mortgage product works like this: A home buyer gets a traditional 15- or 30-year Fannie-backed mortgage from Better. Instead of making a cash down payment, the buyer gets a separate loan, backed by either bitcoin or USDC, a popular stablecoin.

Paying interest on a second loan instead of making a cash down payment can increase the overall cost of homeownership significantly. The interest rate on both loans would range from comparable to typical Fannie Mae mortgages to 1.5 percentage points higher.

Once the crypto assets have been pledged for the down payment, the homeowner can't trade them. If the value of the crypto in the account falls, the mortgage loans aren't affected as long as the owner keeps making monthly payments, said Better Chief Executive Officer Vishal Garg.

Fannie doesn't make loans. It buys mortgages from lenders, packages them to sell to investors and guarantees the payments on them. Because Fannie and Freddie play such a large role in the market, their underwriting standards are widely used.

So far, crypto-backed mortgages are a niche product. Milo, a Miami-based fintech company that has offered crypto-backed mortgages since 2022, has more than 100 customers, said CEO Josip Rupena.

Milo's customers are similar to foreign home buyers trying to purchase U.S. homes in that they often have significant assets but don't fit into traditional lending boxes, Rupena said. "As digital assets become more mainstream, financing products that integrate crypto into real-world use cases will continue to gain traction," he said.

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