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# FEDERAL HOUSING FINANCE AGENCY



## NEWS RELEASE

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### **FHFA Sends Two Reports to Congress on Mortgage Market**

WASHINGTON, DC – Acting FHFA Director Edward J. DeMarco today sent two reports to Congress pursuant to requirements of the Housing and Economic Recovery Act, passed in July 2008. The reports discuss a number of topics, including mortgage risk, Fannie Mae's and Freddie Mac's housing goal performance, and key developments in the housing market.

The first report, titled "Default Risk Evaluation in the Single-Family Mortgage Market," evaluates recent research related to mortgage risk. The report discusses recent literature on underwriting standards, collateral valuation, loan securitization, mortgage modifications, and the effects of foreclosures on home values. The key papers evaluated in the report were presented at a symposium Sept. 16, 2009 titled "Improving Assessment of the Default Risk of Single-Family Mortgages." The symposium, which was co-hosted by FHFA and the FDIC, was widely attended by academicians, regulators, bankers, and other industry practitioners. The views and research discussed at the symposium are incorporated into the report, which has been submitted to Congress pursuant to a requirement set forth in Section 1602 of the Housing and Economic Recovery Act of 2008.

The second report, the Annual Housing Report, has been submitted pursuant to Section 1125 of the Housing and Economic Recovery Act of 2008. It provides information for calendar year 2008 regarding the Enterprises' housing goal performance. The report also reviews the status of the FHFA's rulemaking regarding housing goals for 2009 and future years.

#### Links to Reports:

[Default Risk Evaluation in the Single-Family Mortgage Market](#)

[Annual Housing Report](#)

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*The Federal Housing Finance Agency regulates Fannie Mae, Freddie Mac and the 12 Federal Home Loan Banks. These government-sponsored enterprises provide more than \$6.3 trillion in funding for the U.S. mortgage markets and financial institutions.*