
FEDERAL HOUSING FINANCE AGENCY



STATEMENT

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Statement of FHFA Acting Director Edward J. DeMarco Concerning the Possible Transfer of Fannie Mae Low-Income Housing Tax Credits to Investors

“Shortly after the establishment of the conservatorships for Fannie Mae and Freddie Mac, FHFA issued a [statement](#) emphasizing the importance of all aspects of the Enterprises’ multifamily businesses to a healthy secondary market and housing affordability — including the low-income housing tax credit (LIHTC) program. FHFA indicated it did not intend the establishment of the conservatorships to result in a liquidation of the Enterprises’ LIHTC or mortgage-revenue bond portfolios. Since then, in the interest of providing support to the LIHTC market and conserving the assets of the corporations, FHFA has authorized each company to seek utilizations of their LIHTC portfolios provided they met those goals – to be supportive of the market’s valuation of such assets and to recognize value for the conservatorships.

To that end, FHFA has informed Fannie Mae that a possible transfer of a portion of its LIHTC investments to unrelated third-party investors is consistent with FHFA’s ongoing efforts to conserve Enterprise assets and with the Enterprise’s multifamily housing mission. As Fannie Mae indicated in an SEC filing today, that transaction is under review at the Treasury Department consistent with the terms of the Senior Preferred Stock Purchase Agreements. Treasury’s review may encompass tax, fiscal, or other considerations beyond FHFA’s purview. FHFA remains committed to seeking ways for the Enterprises to add liquidity and support to this important segment of the multifamily housing market while conserving the assets of the companies.”

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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.