
FEDERAL HOUSING FINANCE AGENCY



NEWS RELEASE

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FHFA's Report to Congress Details Findings of Annual Examinations of Fannie Mae, Freddie Mac and the Federal Home Loan Banks

Washington, D.C. –The Federal Housing Finance Agency (FHFA) today released its second *Report to Congress*, detailing the findings of the agency's 2009 annual examinations of Fannie Mae, Freddie Mac, the 12 Federal Home Loan Banks (FHLBanks), and the Office of Finance.

"Fannie Mae and Freddie Mac each remain critical supervisory concerns," FHFA Acting Director Edward J. DeMarco wrote to Congress. "Throughout 2009, each company remained active in supporting the secondary mortgage market and, together, the Enterprises' mortgage purchase and guarantee activity in 2009 represented more than 76 percent of total single-family originations. While critical to supporting the ongoing functioning of the nation's housing finance system, the Enterprises would be unable to serve the mortgage market in the absence of the ongoing financial support provided by the U.S. Department of the Treasury."

The report provides details on the Home Affordable Modification Program, or HAMP, and the Home Affordable Refinance Program, or HARP; compensation of FHLBank directors; and housing mission and goals information for all 14 government-sponsored enterprises. The report concludes:

- Fannie Mae and Freddie Mac both remained *critical supervisory concerns* in 2009.
- The Enterprises continued to play a key role in providing liquidity and stability to the mortgage market and carrying out foreclosure prevention efforts in 2009.
- While the FHLBank System met its public purpose during the financial crisis, advances steadily declined to \$631 billion at year-end 2009.
- The 2009 financial condition and performance of half of the 12 FHLBanks are less than adequate due to investments in private-label mortgage-backed securities; the Seattle FHLBank was deemed "undercapitalized."

[Link to 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.