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PRESIDENT BUSH NAMES JOHN T. KORSMO AS FINANCE BOARD CHAIRMAN

President Bush today designated John T. Korsmo to be Chairman of the Federal Housing Finance Board. Mr. Korsmo recently joined the Finance Board as a director, having been confirmed by the Senate on November 29. He replaces J. Timothy O'Neill, who has been serving as Chairman since June 18 and remains as a director on the Board.

An attorney, real estate title abstractor and title insurance agent, Mr. Korsmo was the founder and president since 1998 of Korsmo Consulting Services, Inc., a healthcare, political and sports marketing consulting firm in Fargo, North Dakota. Mr. Korsmo was Chairman of the North Dakota State Republican Party from 1993 to 1995 and ran as the Republican nominee for North Dakota's at-large seat in the U.S. House of Representatives in 1992.

"I am extremely grateful to the President for the confidence he has expressed in me and deeply honored to serve his Administration as Chairman of the Federal Housing Finance Board," said Mr. Korsmo. "There are significant issues facing the Federal Home Loan Bank System now, such as multi-district membership and the implementation of a new capital structure, and I appreciate the opportunity to guide the System and help it adapt to the ever-changing financial world."

In 1996 and 1997, Mr. Korsmo served as policy/legislative director for North Dakota Governor Ed Schafer. Until 1996, Mr. Korsmo was president and owner of Cass County Abstract Company in Fargo and founder and president of Red River Title Services in Moorhead, Minnesota. He also was founder and president from 1983 to 1992 of the Title Company of Fargo, the first independent escrow and closing company in North Dakota and Northwestern Minnesota. In 1988 Mr. Korsmo co-founded Korsmo and Wheeler, a Fargo law firm that specializes in real estate practice and title examination.

Mr. Korsmo served from 1981 to 1985 as a public interest member of the North Dakota State Banking Board, which is responsible for supervising and ensuring the safety and soundness of state-chartered financial institutions in North Dakota. He was a member of the North Dakota State Board of Higher Education, served for eight years as a member of the National Advisory Council of the U.S. Small Business Administration, chaired the North Dakota Judicial Nominating Committee, and is a former director of the state chamber of commerce in North Dakota.

A 1972 cum laude graduate of the University of Minnesota, Mr. Korsmo received his J.D. degree from

Georgetown University Law Center in 1975. He has three sons, Ted, Joe, and Charlie, and resides in Washington, D.C.

The Federal Housing Finance Board is an independent agency in the executive branch that oversees the safety, soundness, and mission of the Federal Home Loan Bank System and its 12 district banks. The FHLBank System is a government-sponsored enterprise created in 1932 to provide low-cost funding for housing finance. Currently, the FHLBanks hold nearly \$700 billion in total assets.