

# Congress of the United States

Washington, DC 20515

October 15, 2008

Mr. James B. Lockhart III  
Director  
Federal Housing Finance Agency (FHFA)  
1700 G Street, NW  
4th Floor  
Washington, DC 20552

Dear Mr. Lockhart:

We write to call for the need for increased transparency in the financial dealings and decision making by Fannie Mae and Freddie Mac. As our nation faces challenging economic times, and both Congress and the American people are struggling to understand the true reasons behind them, we feel that providing open access to the documents and financial paperwork of these two massive organizations would go far towards helping us not only understand what failed, but also make the necessary changes to prevent us from going down this road again.

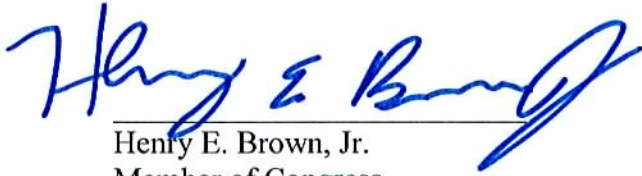
We applaud the Office of Federal Housing Enterprise Oversight (OFEHO), FHFA's predecessor agency, for sounding the alarm bell regarding these two institutions many years ago, especially under your predecessor Armando Falcon, Jr. In response to these reports, we were proud to work as Republicans in 2005 to advocate for significant reforms and oversight to Fannie and Freddie. Unfortunately, these efforts were blocked, allowing the bad financial practices at these two institutions to continue.

The alarm bell was sounded once again in 2006 by former Senator Warren Rudman. Both OFEHO and Senator Rudman concluded that Fannie specifically had willfully disregarded accounting rules and had manipulated its earnings to meet Wall Street expectations. We the Congress and the American people deserve to know more about the misdeeds and potentially illegal conduct by the management of Fannie and Freddie.

As such, we request that you, as the regulator and current conservator for both Fannie and Freddie, take steps to release all documents related to their operations, especially their financial decision making, contacts with government officials, and campaign donation strategies. This will serve as a major first step towards allowing not only Congressional investigators, but also financial experts and the public at large to understand what steps were taken by Fannie and Freddie that led us down this path. Additionally, and probably more importantly, it will allow all Americans to offer up suggestions as to the steps that Congress and the financial regulatory community, including OFEHO, need to take to prevent the misdeeds of Fannie and Freddie from ever occurring again.

Before their collapse into conservatorship, Fannie and Freddie held some \$5.4 trillion in mortgage backed securities and debt between them. They played a major role in setting the stage for the credit crisis facing not only our financial markets but our small businesses and communities. It is only right that the American people have access to one of the roots behind today's crisis.

Sincerely,



Henry E. Brown, Jr.  
Member of Congress



Mike Simpson  
Member of Congress



Dan Burton  
Member of Congress




Phil English  
Member of Congress



Scott Garrett  
Member of Congress



Jeb Hensarling  
Member of Congress



Marilyn Musgrave  
Member of Congress



Frank Wolf  
Member of Congress



John Culberson  
Member of Congress



Jeff Miller  
Member of Congress



Michelle Bachman  
Member of Congress



Robert Aderholt  
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John Shimkus  
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Jon Porter  
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Patrick McHenry  
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Doug Lamborn  
Member of Congress



Chris Smith  
Member of Congress



John McHugh  
Member of Congress



Randy Kuhl  
Member of Congress



Judy Biggert  
Member of Congress



Tom Latham  
Member of Congress



Mike Castle  
Member of Congress




Robert Wittman  
Member of Congress



Mike Pence  
Member of Congress



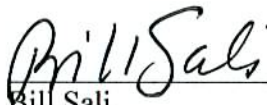
Steve King  
Member of Congress




John Mica  
Member of Congress



Steve Buyer  
Member of Congress



Bill Sali  
Member of Congress



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J. Gresham Barrett  
Member of Congress



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Candice Miller  
Member of Congress



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Gus Bilirakis  
Member of Congress



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John Kline  
Member of Congress



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Todd Akin  
Member of Congress