

From: McLees, Kathleen K.
Sent: Thursday, January 11, 2001 1:59 PM
To: Seiler, Robin
Subject: Creative Health Ventures, Inc - e-version

-----Original Message-----

From: Dennis Light [\[mailto:lighton@erols.com\]](mailto:lighton@erols.com) <[mailto:\[mailto:lighton@erols.com\]](mailto:[mailto:lighton@erols.com])>
Sent: Thursday, January 11, 2001 10:28 AM
To: KMCLEES@OFHEO.GOV
Subject: Letter You Requested

Robert S. Seiler, Jr.
Manager of Policy Analysis
Office of Federal Housing Enterprise Oversight 1700 G Street N.W.
Fourth Floor
Washington D.C. 20552

October 31, 2000

Dear Mr. Seiler:

I heartily endorse your efforts to study the risks that Fannie Mae and Freddie Mac pose to the financial system and to the U.S. housing markets.

Lobbyists press Congress to support Fannie Mae and Freddie Mac and claim that they assist Americans in achieving the "American Dream" of owning one's own home. That dream is politically popular. But where is the research to document that there is no downside risk to the rampant rise in credit that these entities have extended in the past five years?

I believe that it is unconscionable that we lack research on this vital and critical issue. This is especially the case when we have the lessons of human history which suggest that there is a boom and bust cycle which follow the expansion and contraction of credit. These organizations are expanding at an alarming rate, and we must know the risks associated with this expansion. Perhaps your research will indicate that life will continue positively in the so called new economy. Fine. But, please perform the research so that we know that from a policy standpoint we are headed in the correct direction. Otherwise, we are flying blind, and that is a recipe for disaster.

Thank you for your attention.

Dennis S. Light
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Reston, Virginia 20191