

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.

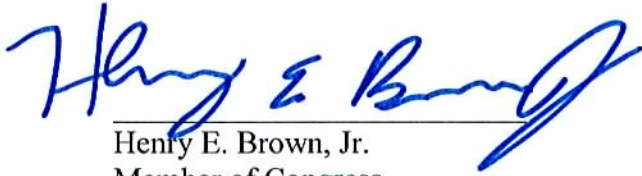
We applaud the Office of Federal Housing Enterprise Oversight (OFEHO), FHFA's predecessor agency, for sounding the alarm bell regarding these two institutions many years ago, especially under your predecessor Armando Falcon, Jr. In response to these reports, we were proud to work as Republicans in 2005 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
Member of Congress



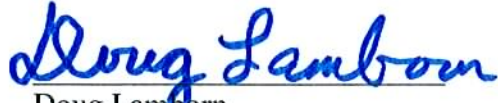
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Jon Porter
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Doug Lamborn
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Chris Smith
Member of Congress



John McHugh
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Randy Kuhl
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Judy Biggert
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Tom Latham
Member of Congress



Mike Castle
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Robert Wittman
Member of Congress



Mike Pence
Member of Congress



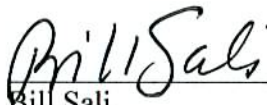
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Member of Congress




John Mica
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Steve Buyer
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Bill Sali
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J. Gresham Barrett
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