
FEDERAL HOUSING FINANCE AGENCY



STATEMENT

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Federal Housing Finance Agency Action Regarding Court Consideration of Proposed Bank of America Settlement

The Federal Housing Finance Agency (FHFA), in its capacity as conservator of Fannie Mae and Freddie Mac (the Enterprises), today filed an Appearance and Conditional Objection regarding the proposed settlement between Bank of America and a consortium of 22 investors being considered by a court in New York. This pleading was filed to obtain any additional pertinent information developed in the matter. The conservator is aware of no basis upon which it would raise a substantive objection to the proposed settlement at this time. In fact, FHFA considers it positive that the proposed settlement includes subservicing requirements, specific terms for the servicing of troubled mortgages and the curing of certain document deficiencies. Additionally, FHFA is encouraged that a number of significant market participants support the proposed settlement.

Due to its duty to preserve and conserve Enterprise assets, the conservator believes it prudent not only to receive additional information as it continues its due diligence of the proposed settlement, but also to reserve its capability to voice a substantive objection in the unlikely event that necessity should arise.

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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 \$5.7 trillion in funding for the U.S. mortgage markets and financial institutions.