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# FEDERAL HOUSING FINANCE AGENCY



## STATEMENT

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### **STATEMENT OF FHFA DIRECTOR JAMES B. LOCKHART ON FEDERAL RESERVE ACTION**

“The Federal Reserve Board’s announcement that it will purchase debt of the Federal Home Loan Banks, Fannie Mae and Freddie Mac as well as the mortgage-backed securities (MBS) issued by Fannie Mae, Freddie Mac and Ginnie Mae is a very positive step. This \$600 billion program should be a major boost to the mortgage and housing markets. By providing more liquidity to the market FHFA expects these actions to help reduce the large interest rate spreads between mortgages and Treasuries, resulting in lower mortgage rates over time, assisting homeowners and home purchasers.”

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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 \$6.2 trillion in funding for the U.S. mortgage markets and financial institutions.*