
FEDERAL HOUSING FINANCE AGENCY



NEWS RELEASE

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Contact: Corinne Russell (202) 649-3032
Stefanie Johnson (202) 649-3030

FHFA Announces Pilot REO Property Sales in Hardest-Hit Areas *Next Step for Investors Interested in Fannie Mae Foreclosed Properties*

Washington, DC – The Federal Housing Finance Agency (FHFA) today announced the first pilot transaction under the Real Estate-Owned (REO) Initiative, targeted to hardest-hit metropolitan areas — Atlanta, Chicago, Las Vegas, Los Angeles, Phoenix and parts of Florida. With this next step, prequalified investors will be able to submit applications to demonstrate their financial capacity, experience and specific plans for purchasing pools of Fannie Mae foreclosed properties with the requirement to rent the purchased properties for a specified number of years.

“This is another important milestone in our initiative designed to reduce taxpayer losses, stabilize neighborhoods and home values, shift to more private management of properties, and reduce the supply of REO properties in the marketplace,” said FHFA Acting Director Edward J. DeMarco.

“We believe that this initiative holds promise for providing support to local neighborhoods that were especially hard hit by the housing crisis and will help meet the rising demand for rental housing in many communities,” said Michael Stegman, Counselor to the Secretary of the Treasury for Housing Finance Policy.

In order to ensure compliance with applicable securities laws and regulations, details of the sales announcement will be sent to prequalified investors per FHFA’s Feb. 1 announcement. Subsequently, investors who post a security deposit and sign a confidentiality agreement will gain access to detailed information about the properties. At that stage, interested investors must submit a comprehensive application, which will be reviewed by an outside firm. Only investors who are qualified through this rigorous process will be eligible to bid.

Any investors interested in the pilot program who have not prequalified may still do so by completing the forms available on the FHFA REO Initiative page.

[FHFA Feb. 1, 2012 announcement](#)

[Qualification Application](#)

[FHFA REO Initiative page](#)

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.