



**Office of Federal Housing Enterprise Oversight  
(OFHEO)**

**STATEMENT**

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**For Immediate Release**

July 10, 2008

**STATEMENT OF OFHEO DIRECTOR JAMES B.  
LOCKHART**

"OFHEO has been monitoring and continues to monitor closely Fannie Mae, Freddie Mac and the mortgage and financial markets. As one would expect, we are carefully watching the Enterprises' credit and capital positions.

As I have said before, they are adequately capitalized, holding capital well in excess of the OFHEO-directed requirement, which exceeds the statutory minimums. They have large liquidity portfolios, access to the debt market and over \$1.5 trillion in unpledged assets.

At the time of our March 2008 capital agreement with the Enterprises I said: "OFHEO will remain vigilant in supervising the safe and sound operations of these companies, and will act quickly to address any deficiencies that may arise. Furthermore, we recognize the need to ensure that their capital levels are strong, protecting them from unforeseen risks as the market recovers."

Including the \$7.4 billion Fannie Mae raised in May in accordance with our March agreement, the Enterprises have raised over \$20 billion in capital. They are using it to continue to grow and to play a critical role in the mortgage markets, which we expect them to continue to do. To support their mission, Freddie Mac is committed to raising an additional \$5.5 billion, which they will do given appropriate market conditions. At a very difficult time in the market, the Enterprises have the flexibility and sound operations needed to support their mission."

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*OFHEO's mission is to promote housing and a strong national housing finance system by ensuring the safety and soundness of Fannie Mae and Freddie Mac.*