REO Disposition

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at the LA NeighborWorks Training Institute
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Agenda

- Headlines
- Distressed housing market update
- FHFA Objectives
- RFI, Responses and Working Group
- Stabilization Strategy

Headlines

- When foreclosure is inevitable, move quickly to stabilize communities.
- “REO to Rental” is a tool to help create new affordable rental options & to rebuild credit
- Investors will undergo rigorous evaluation

Capital Changes (1/08 – 6/11)

	Fannie Mae	Freddie Mac	Combined
Available Capital	$51	$27	$78
Capital Change			
Single-family Income	($133)	($68)	($201)
Multifamily Income	($6)	$14	$8
Investment Income	$7	($10)	($3)
Consolidated Accounting Adjustment	$3	($12)	($8)
Other	($12)	($3)	($15)
Senior Preferred Dividends	($15)	($13)	($28)
Total Capital Change	($155)	($92)	($247)
Capital Deficit	($104)	($65)	($169)
Treasury Senior Preferred Draw	**$103.8**	**$65.2**	**$169**

1/1/08 – 6/30/11; $ in billions

Where's the REO?

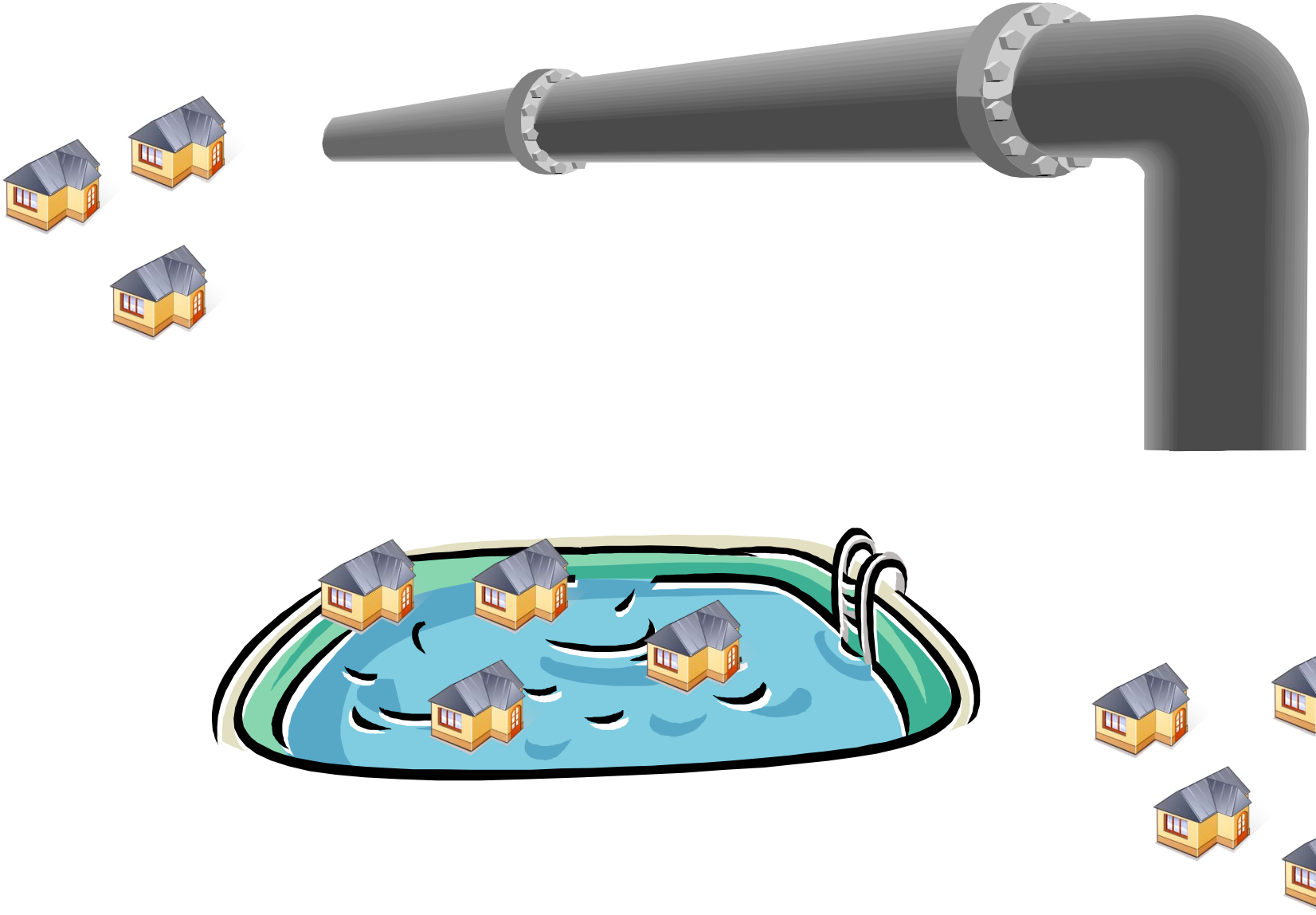
- (OPAR heat map showing location of REO from *all* sources.)

Who owns the REO?

- (Bar graph from “Calculated Risk” showing F/F own a growing share, but still less than half of REO.)

Available REO

- (Bar graph comparing “listed” vs. “inventory” REO)



For More Information

- Prasant.sar@fhfa.gov jim.gray@fhfa.gov
- www.fhfa.gov
  - Quarterly Conservator's Report
  - Quarterly Foreclosure Prevention & Refinance Report
  - Speeches and testimony
  - FHFA requests for information, comments