



FEDERAL HOUSING FINANCE AGENCY  
Office of the Director

October 1, 2010

Michael J. Williams  
Chief Executive Officer  
Fannie Mae  
3900 Wisconsin Avenue, NW  
Washington, D.C. 20016-2892

Charles E. Haldeman, Jr  
Chief Executive Officer  
Freddie Mac  
8200 Jones Branch Avenue  
McLean, VA 22142

Dear Mr. Williams and Mr. Haldeman:

I recognize that both Fannie Mae and Freddie Mac are taking seriously the recent accounts of deficiencies in foreclosure documentation and appreciate the steps you are taking to remind all servicers of their contractual obligations.

As servicers inform you of any problems or irregularities in their procedures, I ask that any decisions regarding appropriate corrective actions be coordinated across the two Enterprises through the Federal Housing Finance Agency (FHFA) to ensure a unified approach. It is critically important for homeowners and the industry to know that the two Enterprises will not initiate different remedial actions that could result in inconsistent treatment of borrowers with the same servicer. The remedial actions may vary by servicer, depending on the nature of the deficiencies, but all borrowers served by a particular lender should be treated equitably.

To this end, I ask that you proceed as follows:

- continue your communications with servicers on this matter;
- notify FHFA if you determine that a servicer's foreclosure documentation practices are deficient; and
- coordinate with FHFA to discuss the findings and develop solutions that are tailored to address the specific problems identified and protect the rights of borrowers, while also minimizing taxpayer losses.

Both Enterprises are directed to communicate with the Division of Enterprise Regulation on proposed remedial steps, or any other actions taken by the Enterprise or by servicers related to this matter. You should direct your input to Christopher Dickerson, Deputy Director for Enterprise Regulation, and additional personnel he shall designate.

Sincerely,

A handwritten signature in blue ink that reads "Edward J. DeMarco".

Edward J. DeMarco  
Acting Director