

From: chris.roberts@zsassociates.com [mailto:chris.roberts@zsassociates.com]
Sent: Friday, July 23, 2010 4:04 PM
To: !FHFA REG-COMMENTS
Subject: RIN 2590-AA23

Dear Mr. DeMarco -

Receivership can only occur if Fannie Mae or Freddie Mac exceed \$200B in commitments from the US Treasury. As the conservator, you sir, should be ensuring that rates are set appropriately to generate the necessary revenue to not have this occur.

You have a dual purpose, and possibly a conflicting one, to see that Fannie and Freddie follow guidelines and yet you report to Treasury Secretary Geithner who is your largest shareholder and bondholder. He also has demanded and continues to take 10% (a usurious rate) on the loan commitment.

I believe that the rates that you are setting as 'fair' are actually too low for the US taxpayer, the US Treasury and most importantly, the current shareholders to receive any return on their investment. Namely, any positive returns are going directly to the bondholders.

As you stated to Congress, Fannie and Freddie were taken over because they were going to scale back their lending, just at the time America needed them to lend more. In fact, no other parties seem to want to make mortgage lending accessible.

How can companies with monopoly powers continue to lose money? The answer is simple. The rates they are charging are not adequate; all of the benefits of Conservatorship are accruing to the US government and US citizens who own real estate. Fannie and Freddie shareholders are subsidizing the revitalization of the real estate market.

Like Citibank, whose shareholders continue to receive .01 cent per quarter, shareholders of Fannie and Freddie should be receiving .01 per quarter while the dust settles on this financial crisis.

Thank you for restoring value to the companies that have truly saved America from ruin, Fannie Mae and Freddie Mac.

Regards,
Chris Roberts
ZS Associates, HQ Office: Evanston, IL: 847.492.3677 fax 847.492.3566