



Federal Housing Finance Agency

1700 G Street, N.W., Washington, D.C. 20552-0003

Telephone: (202) 414-3800

Facsimile: (202) 414-3823

www.fhfa.gov

February 19, 2009

Mr. Charles McMillan
President
National Association of Realtors
430 North Michigan Avenue
Chicago, Illinois 60611-4087

Dear Mr. McMillan:


Thank you for your letter regarding increased fees announced by Fannie Mae at the end of December 2008. I appreciate that you have the same concerns about the similar fee changes announced more recently by Freddie Mac, and that you have been in touch with the Enterprises to express your concerns.

As you've acknowledged, these fee increases are concentrated in loan types with high-risk features, and are intended both to protect the companies from excessive losses and improve their ability to continue to provide a sustainable flow of credit to the market.

I agree with your view on the importance of the Enterprises striking a fair balance between transparency of decision-making and protection of proprietary business information, and have encouraged them to ensure that the reasons for any future changes are clearly explained.

Thank you again for sharing your views. I look forward to ongoing communication with NAR, and trust that you will let me know as other matters of concern arise.

Sincerely,


James B. Lockhart III
Director