

National Multi Housing Council Statement on Fannie Mae, Freddie Mac Takeover

WASHINGTON, Sept. 8 /PRNewswire-USNewswire/ -- Doug Bibby, President of the National Multi Housing Council (NMHC), issued the following statement concerning the Treasury Department's plan to put Fannie Mae and Freddie Mac into conservatorship.

"Fannie Mae and Freddie Mac have played a critically important role in the apartment industry, and we do not expect that to change with the recent actions taken by the Treasury Department. It is important to note that neither company faces an immediate crisis. Rather, these actions were taken largely to restore investor confidence and keep the markets working.

"The impact of the Treasury Department plan on the apartment sector remains to be seen as the details are worked out, but we are optimistic that there will be little to no disruption in the companies' multifamily operations.

"The government action is directly related to the companies' single-family investments and their efforts to weather the ongoing decline in that sector. The multifamily sector, on the other hand, remains strong and is actually producing profits for the firms that are helping rebuild their capital reserves. As a result, we expect them to remain active in the multifamily market.

"NMHC will closely monitor developments in the coming weeks and months, especially as they relate to any changes in the way the firms originate or service multifamily loans. In particular, we will seek reassurances that the government's plan to stabilize the single-family housing market does not create any unintended negative consequences for the functioning of the multifamily housing sector.

"Over the past 10 years, these two GSEs have helped the apartment industry withstand two financial market meltdowns and have protected the values of the multifamily housing that is home to millions of Americans. These government actions should help restore investor confidence in Fannie Mae and Freddie Mac, which will further benefit the multifamily sector and the housing market in general."

Based in Washington, D.C., NMHC is a national association representing the interests of the larger and most prominent apartment firms in the U.S. NMHC's members are the principal officers of firms engaged in all aspects of the apartment industry, including ownership, development, management and financing. NMHC advocates on behalf of rental housing, conducts apartment-related research, encourages the exchange of strategic business information, and promotes the desirability of apartment living. Nearly one-third of Americans rent their housing, and over 14 percent live in a rental apartment. For more information, contact NMHC at 202/974-2300, e-mail the Council at info@nmhc.org, or visit NMHC's web site at www.nmhc.org.

SOURCE National Multi Housing Council