



**Statement by Brian Faith
Managing Director, Communications
on New York Rental Properties
May 28, 2009**

Fannie Mae is committed to the preservation of affordable rental housing in New York City. We have engaged directly with tenant advocacy groups to hear concerns about certain properties where we hold the loan, and we have met with owners of these properties to share these concerns. We intend to schedule additional meetings next week with interested parties, including property owners, tenant groups, congressional offices and others, to help the owners identify solutions for these properties.

We have ordered on-the-ground inspections of each of the buildings in question and, to the extent we can as a mortgagee and secondary market participant, we are taking steps through our servicers to compel building owners to properly maintain the properties.

In addition, with any rental property in distress we acquire through foreclosure, we are committed to working with the city to support a transition to responsible new ownership. In these instances, we will offer favorable financing for transactions that preserve the long-term affordability of these buildings.

With respect to the Ocelot Capital properties, Fannie Mae is working through the courts to secure receivers to protect each of the properties in that portfolio. We will continue to work through the receivers in the interest of tenant safety and we have made a financial commitment to support important safety repairs at the Ocelot Capital buildings.

Fannie Mae is committed to responsible building ownership under the terms of the mortgages we hold, prudent underwriting by our lenders and diligent servicing to help ensure that building owners fulfill their obligations.

Contact: 202-752-6720