



Federal Housing Finance Agency
1700 G Street, N.W., Washington, D.C. 20552
Phone: 202-414-3800
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October 27, 2008

Mr. Herb Allison
Chief Executive Officer
Fannie Mae
3900 Wisconsin Avenue NW
Washington, D.C. 20016-2892

Dear Mr. Allison:

The Federal Housing Finance Agency (FHFA) has completed its review of Fannie Mae's Annual Mortgage Report for 2007, including computerized loan-level data that are required to be submitted with this report.

In accordance with the Housing and Economic Recovery Act of 2008 (Public Law 110-289, 122 Stat. 2654), by this letter FHFA is notifying Fannie Mae that it intends to release to the public, following a period of 30 days in which you may submit comments on this determination, the following official housing goal performance results for 2007:

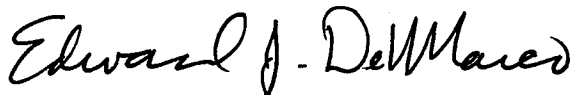
HOUSING GOAL	GOAL TARGET - 2007	OFFICIAL PERFORMANCE RESULTS - 2007
Low- and Moderate-Income	55%	55.5%
Underserved Areas	38%	43.4%
Special Affordable	25%	26.8%
Special Affordable MF Subgoal	\$5.49 Billion	\$19.84 Billion

HOME PURCHASE SUBGOALS	GOAL TARGET - 2007	OFFICIAL PERFORMANCE RESULTS – 2007
Low- and Moderate-Income	47%	42.1%
Underserved Areas	33%	33.4%
Special Affordable	18%	15.5%

As you know, in response to a letter from Fannie Mae dated December 21, 2007, the Department of Housing and Urban Development, by letter of April 24, 2008, determined that achievement of the 2007 an Low- and Moderate-Income Home Purchase Subgoal and the Special Affordable Home Purchase Subgoal was not feasible and that no housing plan would be required.

If you have any additional questions on this matter, please contact me or Brian Doherty of my staff at 202-343-1823.

Sincerely,



Edward J. DeMarco
COO & Sr. Deputy Director