

When the federal government embarks on a project as large as the GSE's, it's only natural for taxpayers to want a scorecard reported back to them. This is especially important when you consider the magnitude of the bailout for Fannie Mae and Freddie Mac. \$150 billion dollars and counting have been poured into these two entities, and when we consider what we've gotten in return, there isn't much to be excited about: Home prices and the breadth of home sales is still sluggish in a lot of areas around the country; the homeownership rate in our country is back to the same level it was in 1998; and the United States now ranks *seventeenth (17th)* in homeownership rates amongst developed countries. Indeed, the American taxpayer has gotten a terrible deal out of this.

For years we've been told by GSE advocates that government guarantees, affordable housing requirements, and implicit taxpayer backing were the only ways the housing market in our country could

conceivably function. It is true that if some of these requirements were not in place, there may be some families today that otherwise wouldn't be homeowners. But it's hard to imagine an outcome worse than what we've already experienced coming from this toxic mix of public and private accountability.

Everyone in this deal lost – The GSE's, homeowners, neighborhoods – and especially, the taxpayer.

I look forward to hearing from Treasury Secretary Geithner today on the administration's plan for ending this taxpayer bailout.