

**FINANCE INDUSTRY GROUP SUPPORTS REED
GSE "MISSION IMPROVEMENT" BILL**

PHILADELPHIA, PA//November 19, 2007///Opportunity Finance Network President & CEO Mark Pinsky issued the following statement today:

"Opportunity Finance Network and the financial institutions it represents strongly support Senator Jack Reed's bill to sustain economic growth and strengthen the affordable housing mission of Fannie Mae and Freddie Mac. If enacted, the Government Sponsored Enterprise Mission Improvement Act of 2007 would leverage more than \$3 billion in new economic activity per year targeted to providing quality housing and economic opportunities for very low-income and low-income people in the U.S.

"OFN urges Congress to act quickly amid the nation's housing finance crisis to ensure that people have access to safe, affordable housing.

"Introduced late last week, the Act would require Fannie Mae and Freddie Mac to pay 4.2 basis points (0.042%) of each dollar of unpaid principle balance of total new business purchases for two Affordable Housing Programs. Senator Reed estimates this would generate \$500 million to \$900 million annually to help those with worse-case housing needs. About 60% of renters and owners with incomes less than 30% of area media income pay more than 50% of their incomes for housing.

"Most of the funding—65%—would fund an innovative Affordable Housing Block Grant Program that States can use to address critical issues in housing affordability. The balance (35%) would create a Capital Magnet Fund in the U.S. Department of Treasury that would finance, on a competitive basis, housing and related economic development for very low-income and low-income families.

"The Treasury funding would flow through the Community Development Financial Institutions (CDFI) Fund, which does an impressive job of leveraging resources. The Fund's \$771 million in financing since 1995 had leveraged more than \$16 billion in non-federal financing to benefit low-income and low-wealth people and communities.

"The CDFI Fund is unique and impressive. No federal financing strategy works better. The U.S. Treasury has estimated that each \$1 the CDFI Fund invests results in at least \$19 in non-federal financing in many of the nation's opportunity markets."

ABOUT OPPORTUNITY FINANCE NETWORK

Opportunity Finance Network (OFN) is the leading network of private financial institutions working to create opportunities for low-income and low-wealth people in the U.S. Financing through OFN delivers both sound financial returns and real changes for people, communities, and markets. The Network has originated more than \$11 billion in urban, rural, and reservation-based markets through fiscal 2005. With cumulative net charge offs of less than 1%, the opportunity finance industry has demonstrated that it is prudent and profitable to lend in unconventional markets often overlooked by conventional financial institutions. For more information about Opportunity Finance Network, see www.opportunityfinance.net.

CONTACT: Jeanine Plant, (212) 245-0510 or jplant@pro-mediacomunications.com.