



PRESS RELEASE

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FDIC to Sponsor Forum on Mortgage Lending for Low- and Moderate-Income Households

The FDIC today announced that it will sponsor a Forum on Mortgage Lending for Low- and Moderate-Income (LMI) Households on July 8, 2008. The purpose of the LMI Mortgage Forum is to explore a framework for LMI mortgage lending in the future, including identifying market and regulatory incentives for encouraging responsible LMI mortgage lending.

The Census Bureau reports that the national homeownership rate was about 68 percent as of the first quarter 2008. However, the homeownership rate is only about 51 percent for those households with below median incomes. Moreover, data from the Federal Reserve's 2004 Survey of Consumer Finances, the latest income stratification information available, show that for households with incomes in the bottom fifth of all earners, homeownership rates are far lower - about 40 percent.

"I remain deeply concerned that disruptions in mortgage credit availability and in the secondary market will make it even more difficult for households of modest means to realize the benefits of owning their own homes," said FDIC Chairman Sheila C Bair. "Particularly in this environment of tightening lending standards, government must remain focused on the right incentives to promote responsible and sustainable mortgage lending. I look forward to a wide-ranging and constructive dialogue on the issues facing LMI borrowers and identifying recommendations on strategies that will benefit consumers, lenders, investors, and the economy."

The forum will feature an exceptional lineup of speakers and participants from banking, investing, government, academia, and the nonprofit community, including the Honorable **Henry M. Paulson, Jr.**, Secretary of the U.S. Treasury; **Ben S. Bernanke**, Chairman of the Federal Reserve Board of Governors; and **James Dimon**, Chairman of the Board and Chief Executive Officer of JPMorgan Chase & Co.



Congress created the Federal Deposit Insurance Corporation in 1933 to restore public confidence in the nation's banking system. It promotes the safety and soundness of these institutions by identifying, monitoring and addressing risks to which they are exposed. The FDIC receives no federal tax dollars — insured financial institutions fund its operations.

FDIC press releases and other information are available on the Internet at www.fdic.gov, by subscription electronically (go to www.fdic.gov/about/subscriptions/index.html) and may also be obtained through the FDIC's Public Information Center (877-275-3342 or 703-562-2200). **PR-42-2008**

Discussion topics include:

- Back to Basics, Reintroducing Standard Underwriting Criteria and Pricing to the LMI Mortgage Market
- Reasonable, Profitable and Innovative Approaches to LMI Mortgage Lending
- Building Relationships, Building Communities: Partnerships that Foster Home Ownership

The event will be open to members of the news media. It will be held from 7:50 a.m. to 3:15 p.m. in the C Building Auditorium at the FDIC's L. William Seidman Center, 3501 Fairfax Drive, Arlington, Virginia 22226-3599.

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