



**From the desk of Shmuel Shayowitz, President and CEO of
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July 16, 2008 Bergen County, NJ - History continues to rewrite itself in the housing and financial markets, with the latest news from Capitol Hill. In an emergency session on Sunday, July 13th the Federal Reserve and the U.S. Treasury released a series of measures aimed to bolster and reinforce the lending power of Fannie Mae and Freddie Mac, the giant secondary mortgage market agencies. With these two entities controlling almost half of the outstanding mortgages in the U.S., the assurance and commitment allows these companies to remain a viable force in new mortgage origination.

In March of this year, Fannie and Freddie announced a temporary increase in the size of loans that they are permitted to finance, which has finally started to have a significant impact for the mortgage lenders able to offer these loans. Interest Rates for these "Conforming-Jumbos" have become very attractive from Lenders, while conventional loans (up to \$417,000) are still at historic lows.

The real estate market and housing markets expect to see an immediate benefit from these changes, and hopefully begin to see stabilization in housing prices.

