# Financial Supplement
# Q4 and Full Year 2022

February 14, 2023

- Some of the terms and other information in this presentation are defined and discussed more fully in Fannie Mae's Form 10-K for the year ended December 31, 2022 ("2022 Form 10-K"). This presentation should be reviewed together with the 2022 Form 10-K, which is available at www.fanniemae.com in the "About Us—Investor Relations—SEC Filings" section. Information on or available through the company's website is not part of this supplement.
- Some of the information in this presentation is based upon information from third-party sources such as sellers and servicers of mortgage loans. Although Fannie Mae generally considers this information reliable, Fannie Mae does not independently verify all reported information.
- Due to rounding, amounts reported in this presentation may not sum to totals indicated (i.e., 100%), or amounts shown as 100% may not reflect the entire population.
- Unless otherwise indicated, data is as of December 31, 2022 or for the full year indicated. Data for prior years is as of December 31 or for the full year indicated.
- Note references are to endnotes, appearing on pages 23 to 26.
- <u>Terms used in presentation</u>

  **CAS:** Connecticut Avenue Securities®

  **CIRT™:** Credit Insurance Risk Transfer™

  **CRT:** Credit risk transfer

  **DSCR:** Weighted-average debt service coverage ratio

  **DTI ratio:** Debt-to-income ("DTI") ratio refers to the ratio of a borrower's outstanding debt obligations (including both mortgage debt and certain other long-term and significant short-term debts) to that borrower's reported or calculated monthly income, to the extent the income is used to qualify for the mortgage

  **DUS®:** Fannie Mae's Delegated Underwriting and Servicing program

  **HARP®:** Home Affordable Refinance Program®, registered trademarks of the Federal Housing Finance Agency, which allowed eligible Fannie Mae borrowers with high LTV ratio loans to refinance into more sustainable loans

  **LTV ratio:** Loan-to-value ratio

  **MSA:** Metropolitan statistical area

  **MTMLTV ratio:** Mark-to-market loan-to-value ratio, which refers to the current unpaid principal balance of a loan at period end, divided by the estimated current home price at period end

  **OLTV ratio:** Origination loan-to-value ratio, which refers to the unpaid principal balance of a loan at the time of origination of the loan, divided by the home price or property value at origination of the loan

  **Refi Plus™:** Refi Plus initiative, which offered refinancing flexibility to eligible Fannie Mae borrowers

  **REO:** Real estate owned by Fannie Mae because it has foreclosed on the property or obtained the property through a deed-in-lieu of foreclosure

  **TCCA fees:** Refers to revenues generated by the 10 basis point guaranty fee increase the company implemented on single-family residential mortgages pursuant to the Temporary Payroll Tax Cut Continuation Act of 2011 ("TCCA") and as extended by the Infrastructure Investment and Jobs Act, the incremental revenue from which is remitted to Treasury and not retained by the company

  **UPB:** Unpaid principal balance

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# Overview

# Corporate Financial Highlights

## Summary of 2022 and Q4 2022 Financial Results

| (Dollars in millions) | 2022 | 2021 | Variance | Q4 2022 | Q3 2022 | Variance |
|---|---|---|---|---|---|---|
| Net interest income | **$29,423** | $29,587 | $(164) | **$7,092** | $7,124 | $(32) |
| Fee and other income | **312** | 361 | (49) | **43** | 105 | (62) |
| **Net revenues** | **29,735** | 29,948 | (213) | **7,135** | 7,229 | (94) |
| Investment gains (losses), net | **(297)** | 1,352 | (1,649) | **26** | (172) | 198 |
| Fair value gains (losses), net | **1,284** | 155 | 1,129 | **(17)** | 292 | (309) |
| Administrative expenses | **(3,329)** | (3,065) | (264) | **(856)** | (870) | 14 |
| Benefit (provision) for credit losses | **(6,277)** | 5,130 | (11,407) | **(3,283)** | (2,536) | (747) |
| TCCA fees | **(3,369)** | (3,071) | (298) | **(854)** | (850) | (4) |
| Credit enhancement expense | **(1,323)** | (1,051) | (272) | **(349)** | (364) | 15 |
| Change in expected credit enhancement recoveries | **727** | (194) | 921 | **424** | 290 | 134 |
| Other expenses, net[1] | **(918)** | (1,255) | 337 | **(306)** | (154) | (152) |
| **Income before federal income taxes** | **16,233** | 27,949 | (11,716) | **1,920** | 2,865 | (945) |
| Provision for federal income taxes | **(3,310)** | (5,773) | 2,463 | **(494)** | (429) | (65) |
| **Net income** | **$12,923** | $22,176 | $(9,253) | **$1,426** | $2,436 | $(1,010) |
| **Total comprehensive income** | **$12,920** | $22,098 | $(9,178) | **$1,437** | $2,433 | $(996) |
| **Net worth** | **$60,277** | $47,357 | $12,920 | **$60,277** | $58,840 | $1,437 |
| **Net worth ratio**[2] | **1.4 %** | 1.1 % | | **1.4 %** | 1.4 % | |

## 2022 Key Highlights

**$12.9 billion Net Income in 2022, with Net Worth Reaching $60.3 billion as of December 31, 2022**

***Net income*** decreased $9.3 billion in 2022, compared with 2021, primarily driven by a shift from benefit for credit losses to provision for credit losses and a shift from investment gains to investment losses, partially offset by an increase in fair value gains.

***Net interest income***

Net interest income was relatively flat in 2022 compared with 2021, as lower amortization income was offset by higher income from portfolios and higher base guaranty fee income.

***Benefit (provision) for credit losses***

- Single-family provision in 2022 was primarily driven by decreases in forecasted home prices, the overall credit risk profile of the company's newly acquired loans, and rising interest rates.
- Multifamily provision in 2022 was primarily driven by an increase in expected credit losses on the company's seniors housing portfolio, which has been disproportionately impacted by recent market conditions, as well as higher actual and projected interest rates.

***Investment gains (losses), net***

Investment losses in 2022 were primarily driven by a significant decrease in the market value of single-family loans that resulted in valuation losses on loans held-for-sale as of December 31, 2022, as well as lower prices on loans sold during the year.

***Fair value gains, net***

Fair value gains in 2022 were primarily driven by the impact of rising interest rates and widening of the secondary spread, which led to price declines. As a result of the price declines, the company recognized gains on its commitments to sell mortgage-related securities and long-term debt of consolidated trusts held at fair value. These gains were partially offset by fair value losses on fixed-rate trading securities.

# Selected Financial Data

## Selected Financial Data

**(Dollars in millions)**

| **As of December 31,** | **2022** | **2021** | **2020** | **2019** | **2018** |
|---|---|---|---|---|---|
| Cash and cash equivalents | $ 57,987 | $ 42,448 | $ 38,337 | $ 21,184 | $ 25,557 |
| Restricted cash and cash equivalents | 29,854 | 66,183 | 77,286 | 40,223 | 23,866 |
| Investments in securities, at fair value | 50,825 | 89,043 | 138,239 | 50,527 | 45,296 |
| Mortgage loans, net of allowance | 4,114,436 | 3,968,242 | 3,653,892 | 3,334,162 | 3,249,395 |
| **Total assets** | **$ 4,305,288** | **$ 4,229,166** | **$ 3,985,749** | **$ 3,503,319** | **$ 3,418,318** |
| Debt of Fannie Mae | 134,168 | 200,892 | 289,572 | 182,247 | 232,074 |
| Debt of consolidated trusts | 4,087,720 | 3,957,299 | 3,646,164 | 3,285,139 | 3,159,846 |
| **Total liabilities** | **$ 4,245,011** | **$ 4,181,809** | **$ 3,960,490** | **$ 3,488,711** | **$ 3,412,078** |
| **Total Fannie Mae stockholders' equity** | **$ 60,277** | **$ 47,357** | **$ 25,259** | **$ 14,608** | **$ 6,240** |
| **Loss reserves**[45] | **$ (11,465)** | **$ (5,774)** | **$ (10,798)** | **$ (9,047)** | **$ (14,252)** |
| Loss reserves as a percentage of guaranty book of business: | | | | | |
| Single-family[46] | 0.26 % | 0.15 % | 0.30 % | 0.30 % | 0.49 % |
| Multifamily[47] | 0.43 % | 0.17 % | 0.32 % | 0.08 % | 0.08 % |

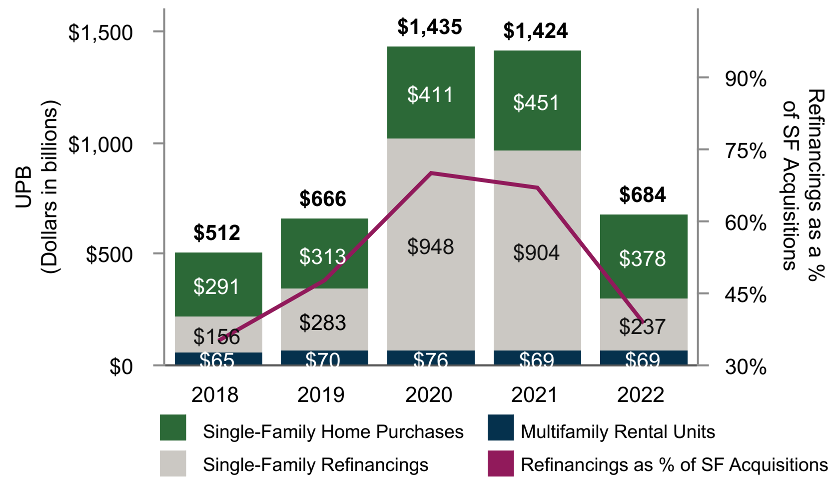
| **For the Year Ended December 31,** | **2022** | **2021** | **2020** | **2019** | **2018** |
|---|---|---|---|---|---|
| **Net income** | **$ 12,923** | **$ 22,176** | **$ 11,805** | **$ 14,160** | **$ 15,959** |
| Return on assets[48] | 0.30 % | 0.54 % | 0.32 % | 0.41 % | 0.47 % |

# Guaranty Book of Business Highlights

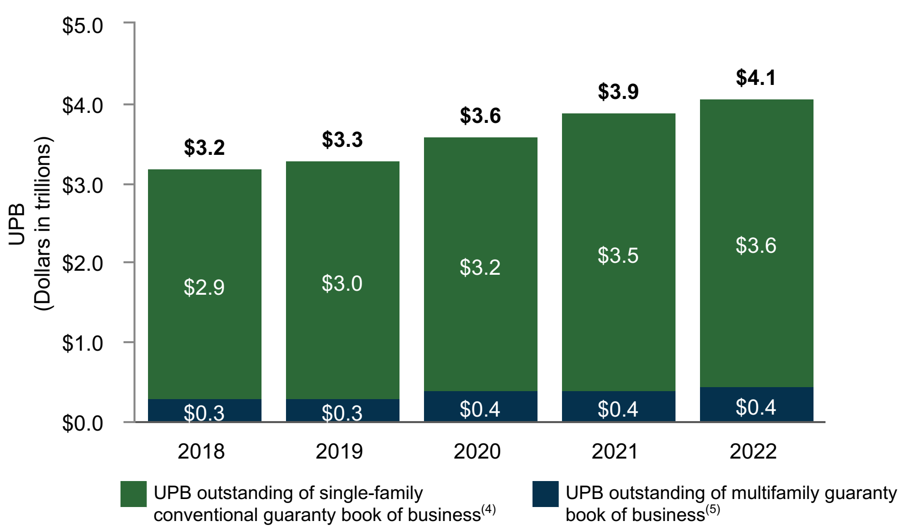
## Market Liquidity Provided

### Total liquidity provided in 2022 was $684B

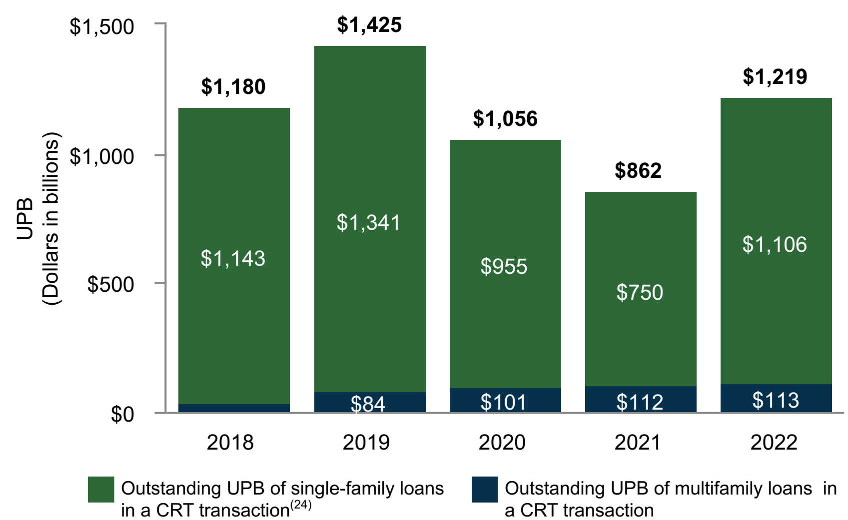
| Unpaid Principal Balance | Units |
|---|---|
| $378B | 1,151K Single-Family Home Purchases |
| $237B | 886K Single-Family Refinancings |
| $69B | 598K Multifamily Rental Units |




## Outstanding Guaranty Book of Business at Period End

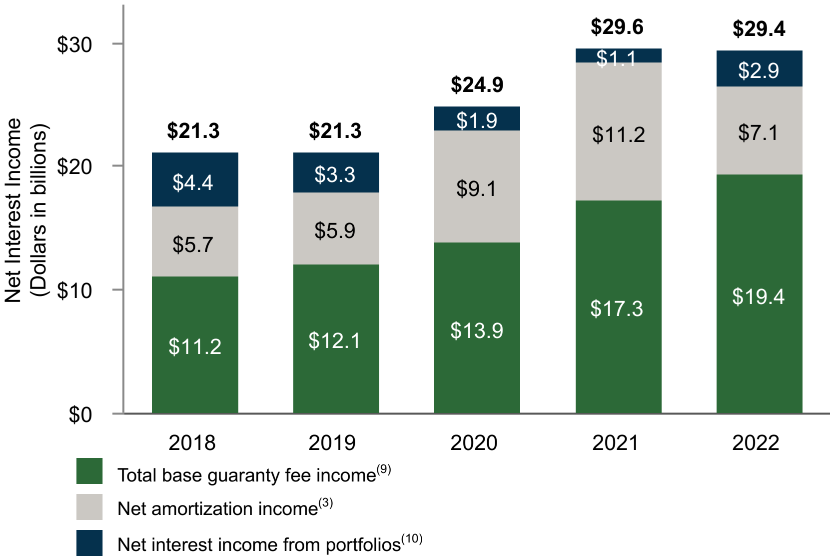



## Guaranty Book of Business in a CRT

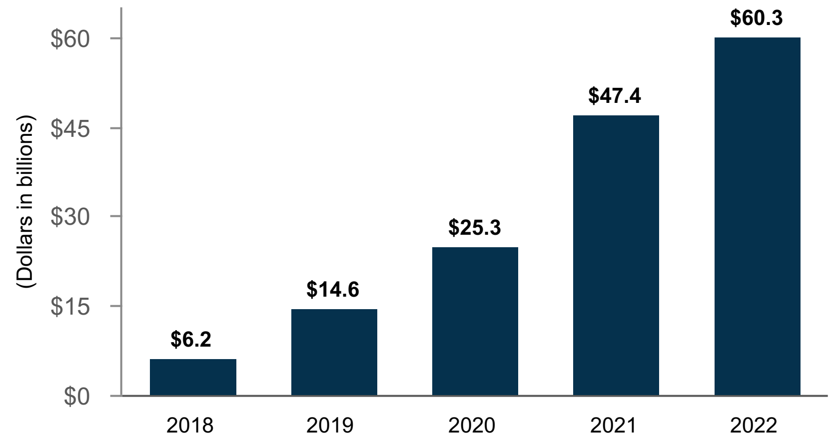


# Interest Income and Liquidity Management

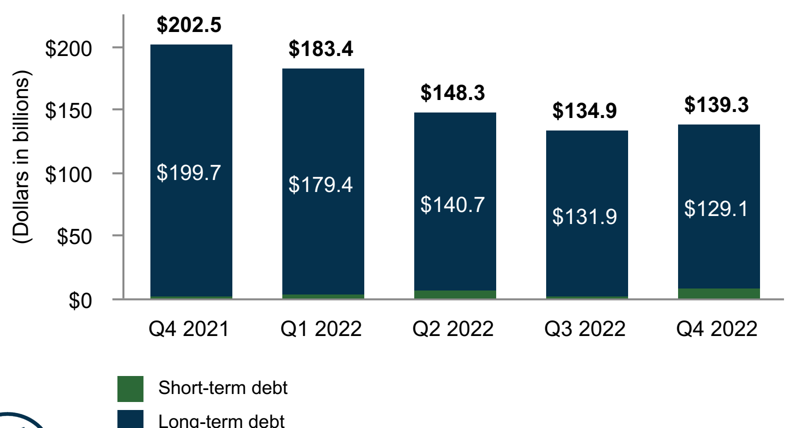
## Components of Net Interest Income



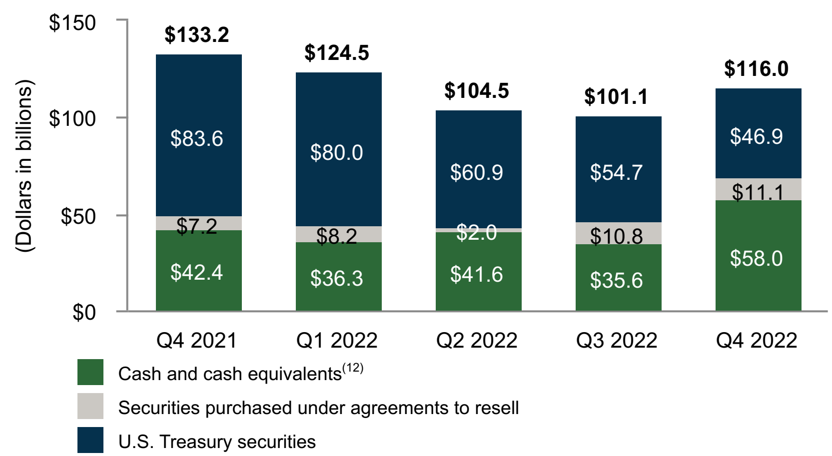

## Net Worth of Fannie Mae




## Aggregate Indebtedness of Fannie Mae[11]

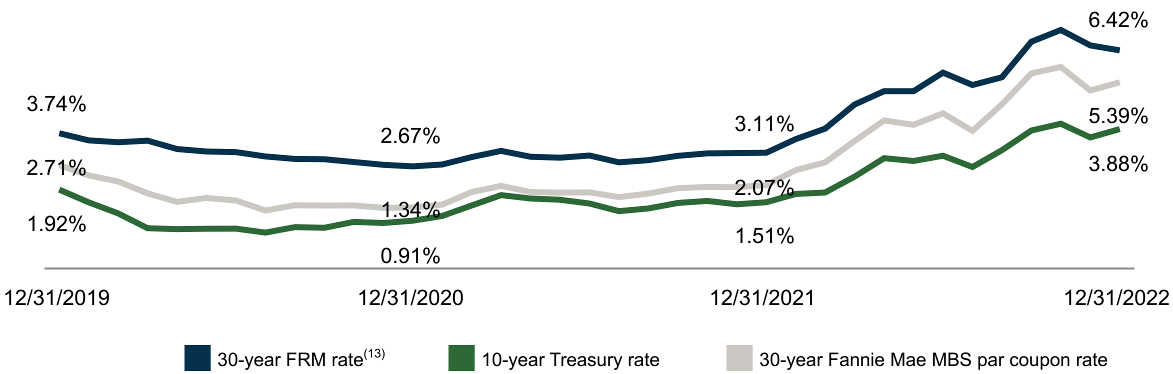



## Other Investments Portfolio ("OIP")

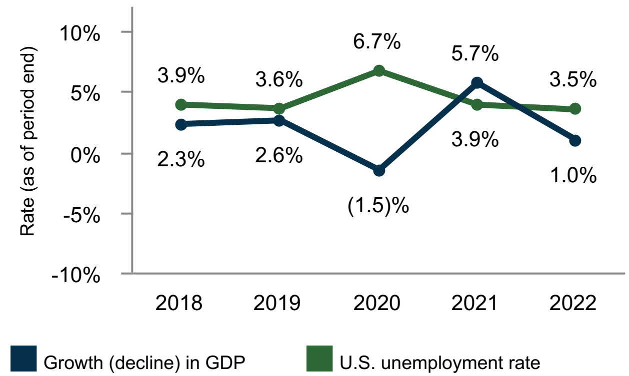


# Key Market Economic Indicators

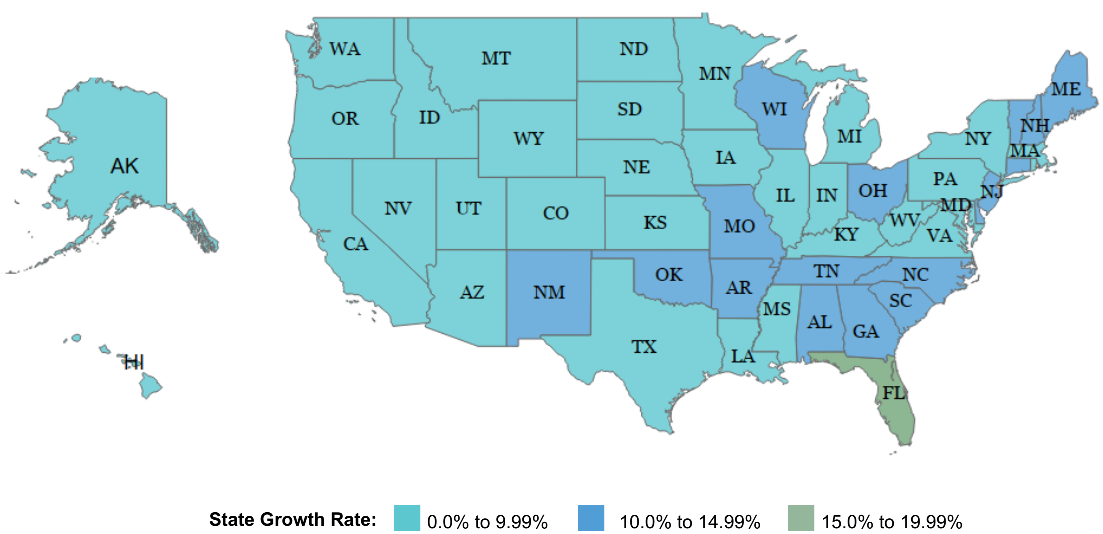
## Benchmark Interest Rates



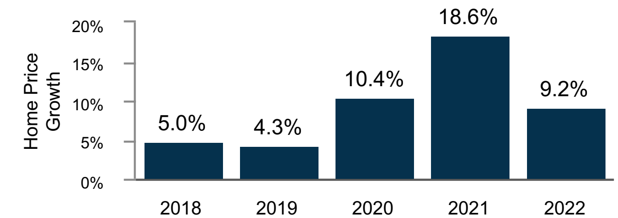

## U.S. GDP Growth (Decline) Rate and Unemployment Rate[14]




## One Year Home Price Growth Rate Q4 2022[15]
## United States 9.2%




## Single-Family Home Price Growth Rate[15]




## Top 10 States by UPB[15]

| State | One Year Home Price Growth Rate Q4 2022 | Share of Single-Family Conventional Guaranty Book |
|---|---|---|
| CA | 4.5% | 19% |
| TX | 9.7% | 7% |
| FL | 17.0% | 6% |
| NY | 8.9% | 4% |
| WA | 2.0% | 4% |
| CO | 5.2% | 3% |
| NJ | 11.9% | 3% |
| IL | 8.1% | 3% |
| VA | 8.9% | 3% |
| AZ | 7.0% | 3% |

# Single-Family Business

# Single-Family Highlights

## 2022

**$24,736M**
Net interest income

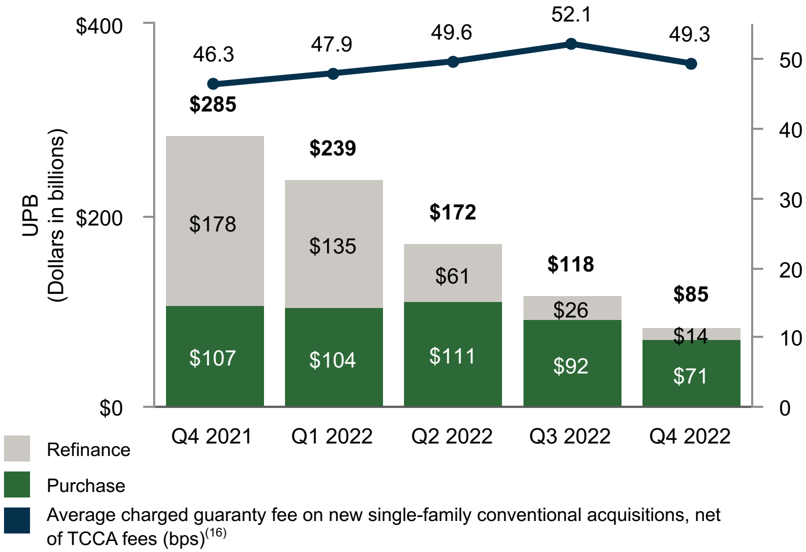
**$(223)M**
Investment losses, net

**$1,364M**
Fair value gains, net

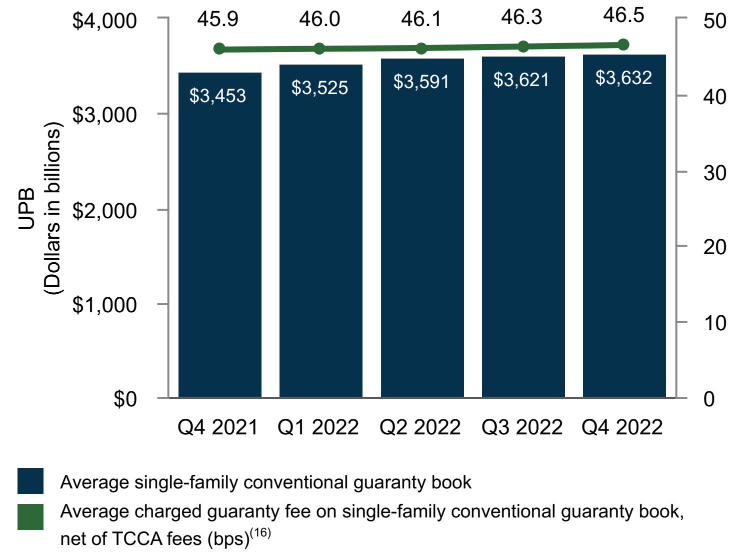
**$(5,029)M**
Provision for credit losses

**$10,770M**
Net income

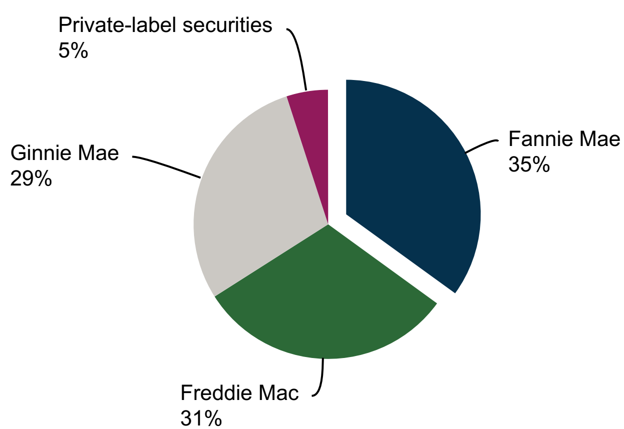
## Single-Family Conventional Loan Acquisitions[4]




## Single-Family Conventional Guaranty Book of Business[4]




## 2022 Single-Family Mortgage-Related Securities Share of Issuances




## Highlights

- Single-family conventional acquisition volume was $614.8 billion in 2022, a decrease of 55% compared with $1.4 trillion in 2021. Purchase acquisition volume decreased from $451.3 billion in 2021 to $378.0 billion in 2022, of which more than 45% was for first-time homebuyers. Refinance acquisition volume was $236.9 billion in 2022, a decline from $903.7 billion in 2021, due to the higher mortgage interest-rate environment.
- The share of purchase loans, which generally have a higher LTV ratio, increased as a percentage of the company's single-family acquisitions to 62% in 2022 from 33% in 2021.
- Average single-family conventional guaranty book of business in 2022 increased from 2021 by 7% driven primarily by growth in the average balance of loans acquired during the year.
- Single-family serious delinquency rate decreased to 0.65% as of December 31, 2022, from 1.25% as of December 31, 2021, driven by borrowers exiting forbearance through a loan workout or by otherwise reinstating their loan.

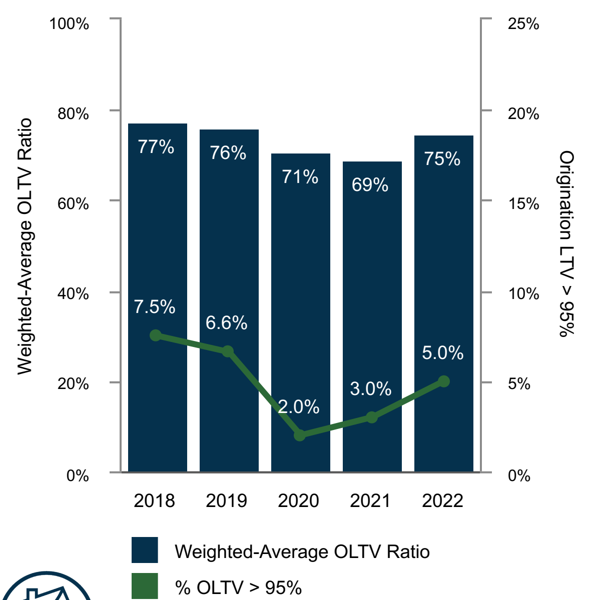
# Credit Characteristics of Single-Family Conventional Loan Acquisitions

## Certain Credit Characteristics of Single-Family Conventional Loans by Acquisition Period

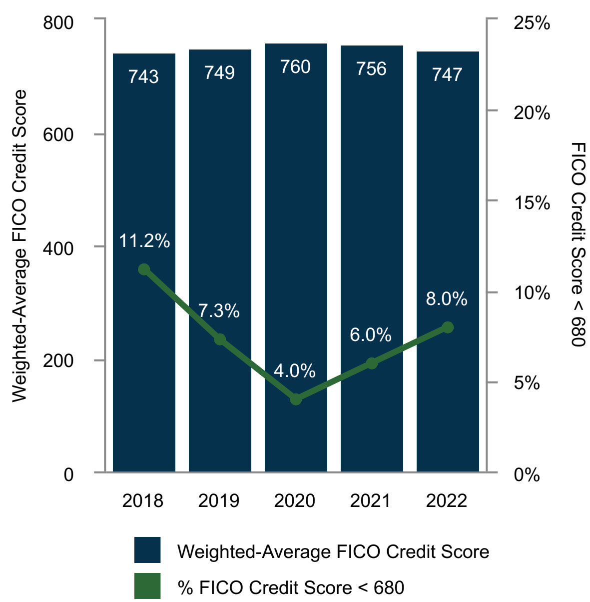
## 2022 Acquisition Credit Profile by Certain Loan Features

| Categories are not mutually exclusive | Q4 2021 | Full Year 2021 | Q1 2022 | Q2 2022 | Q3 2022 | Q4 2022 | Full Year 2022 | OLTV Ratio >95% | HomeReady®[18] | FICO Credit Score < 680[7] | DTI Ratio > 43%[17] |
|---|---|---|---|---|---|---|---|---|---|---|---|
| Total UPB (Dollars in billions) | $284.5 | $1,354.7 | $239.5 | $172.3 | $117.7 | $85.3 | $614.8 | $30.6 | $16.6 | $54.0 | $196.8 |
| Weighted-Average OLTV Ratio | 70% | 69% | 71% | 75% | 78% | 78% | 75% | 97% | 90% | 71% | 77% |
| OLTV Ratio > 95% | 4% | 3% | 4% | 5% | 6% | 6% | 5% | 100% | 40% | 2% | 5% |
| Weighted-Average FICO® Credit Score[7] | 751 | 756 | 748 | 746 | 746 | 749 | 747 | 743 | 742 | 655 | 741 |
| FICO Credit Score < 680[7] | 8% | 6% | 9% | 9% | 8% | 7% | 8% | 4% | 7% | 100% | 10% |
| DTI Ratio > 43%[17] | 25% | 23% | 29% | 32% | 35% | 37% | 32% | 34% | 53% | 36% | 100% |
| Fixed-rate | 99% | 99% | 99% | 99% | 98% | 98% | 99% | 100% | 100% | 100% | 99% |
| Primary Residence | 91% | 92% | 90% | 91% | 91% | 91% | 91% | 100% | 100% | 96% | 91% |
| HomeReady®[18] | 3% | 3% | 2% | 3% | 3% | 4% | 3% | 22% | 100% | 2% | 4% |

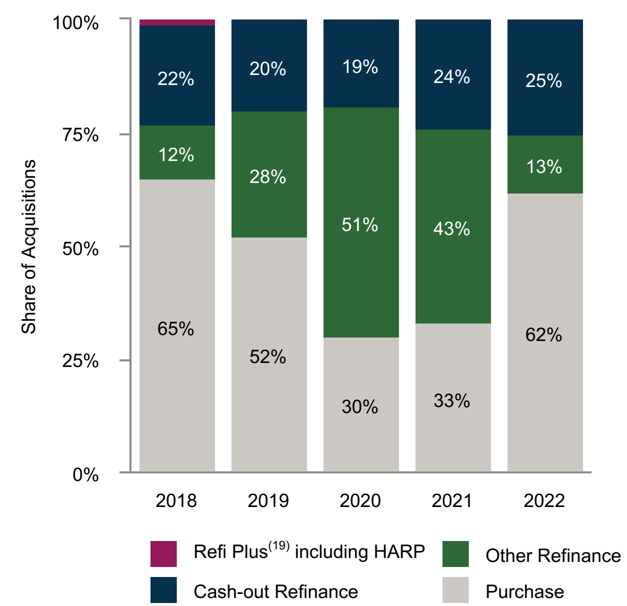
## Origination Loan-to-Value Ratio




## FICO Credit Score[7]




## Acquisitions by Loan Purpose



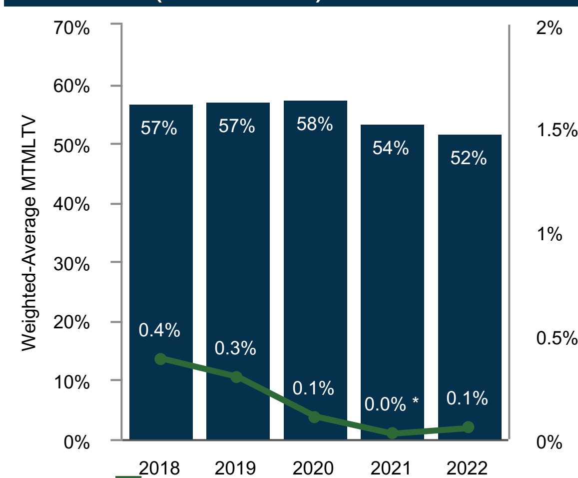
# Credit Characteristics of Single-Family Conventional Guaranty Book of Business

## Certain Credit Characteristics of Single-Family Conventional Guaranty Book of Business by Origination Year and Loan Features[4][20]

**As of December 31, 2022**

| Categories are not mutually exclusive | Origination Year | | | | | | | Certain Loan Features | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | Overall Book | 2008 & Earlier | 2009-2018 | 2019 | 2020 | 2021 | 2022 | OLTV Ratio > 95% | Home-Ready®[18] | FICO Credit Score < 680[7] | Refi Plus Including HARP[19] | DTI Ratio > 43%[17] |
| Total UPB (Dollars in billions) | $3,635.2 | $75.8 | $789.1 | $168.4 | $930.7 | $1,166.7 | $504.5 | $168.6 | $106.9 | $289.4 | $124.6 | $873.9 |
| Average UPB | $206,049 | $78,655 | $129,863 | $198,350 | $250,667 | $269,233 | $295,604 | $173,184 | $179,995 | $160,949 | $103,084 | $226,376 |
| Share of SF Conventional Guaranty Book | 100% | 2% | 22% | 5% | 25% | 32% | 14% | 5% | 3% | 9% | 3% | 25% |
| Loans in Forbearance by UPB[21] | 0.3% | 0.9% | 0.4% | 0.5% | 0.2% | 0.3% | 0.3% | 0.6% | 0.6% | 1.2% | 0.4% | 0.6% |
| Share of Loans with Credit Enhancement[22] | 42% | 10% | 46% | 55% | 33% | 49% | 33% | 84% | 82% | 38% | 40% | 45% |
| Serious Delinquency Rate[8] | 0.65% | 2.78% | 0.86% | 0.99% | 0.31% | 0.31% | 0.18% | 1.56% | 1.21% | 2.50% | 0.91% | 1.02% |
| Weighted-Average OLTV Ratio | 72% | 75% | 75% | 76% | 71% | 70% | 75% | 102% | 87% | 74% | 84% | 74% |
| OLTV Ratio > 95% | 5% | 9% | 7% | 8% | 3% | 3% | 5% | 100% | 35% | 7% | 28% | 6% |
| Amortized OLTV Ratio[23] | 66% | 70% | 59% | 70% | 66% | 67% | 74% | 92% | 83% | 69% | 70% | 70% |
| Weighted-Average Mark-to-Market LTV Ratio[6] | 52% | 31% | 34% | 49% | 50% | 58% | 73% | 67% | 66% | 50% | 32% | 55% |
| Weighted-Average FICO Credit Score[7] | 752 | 697 | 747 | 747 | 762 | 755 | 747 | 735 | 742 | 652 | 727 | 741 |
| FICO Credit Score < 680[7] | 9% | 38% | 11% | 9% | 4% | 7% | 9% | 11% | 9% | 100% | 23% | 11% |

## Mark-to-Market Loan-to-Value (MTMLTV) Ratio[6]

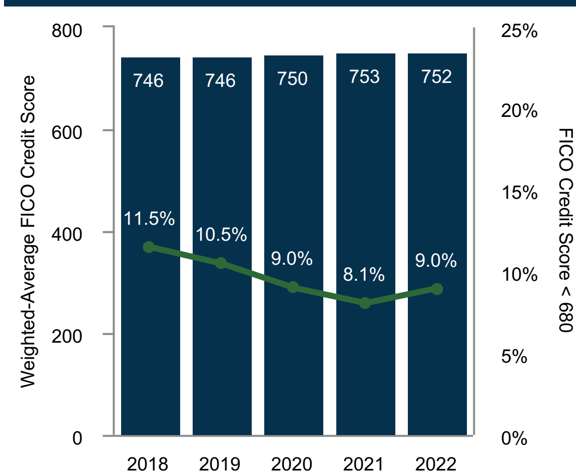



% MTMLTV > 100%

Weighted-Average MTMLTV

* Represents less than 0.05% of MTMLTV > 100%

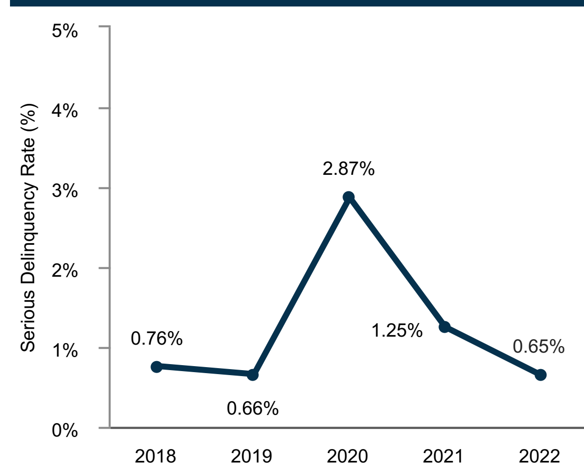
## FICO Credit Score[7]




% FICO Credit Score < 680

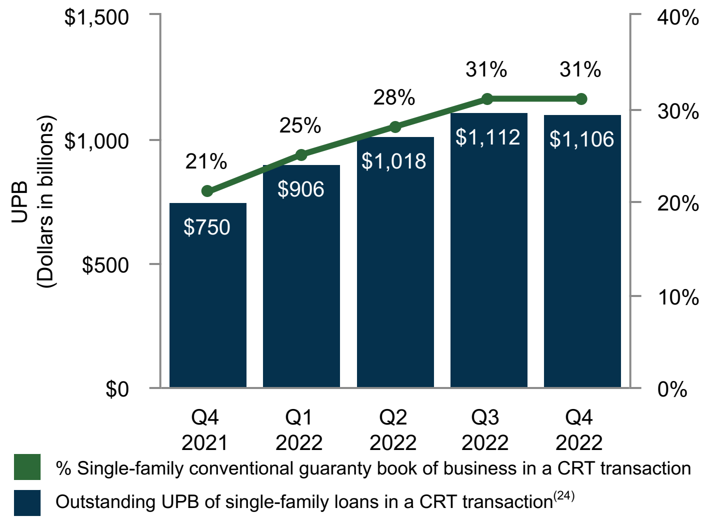
Weighted-Average FICO Credit Score

## SDQ Rate[8]



# Single-Family Credit Risk Transfer

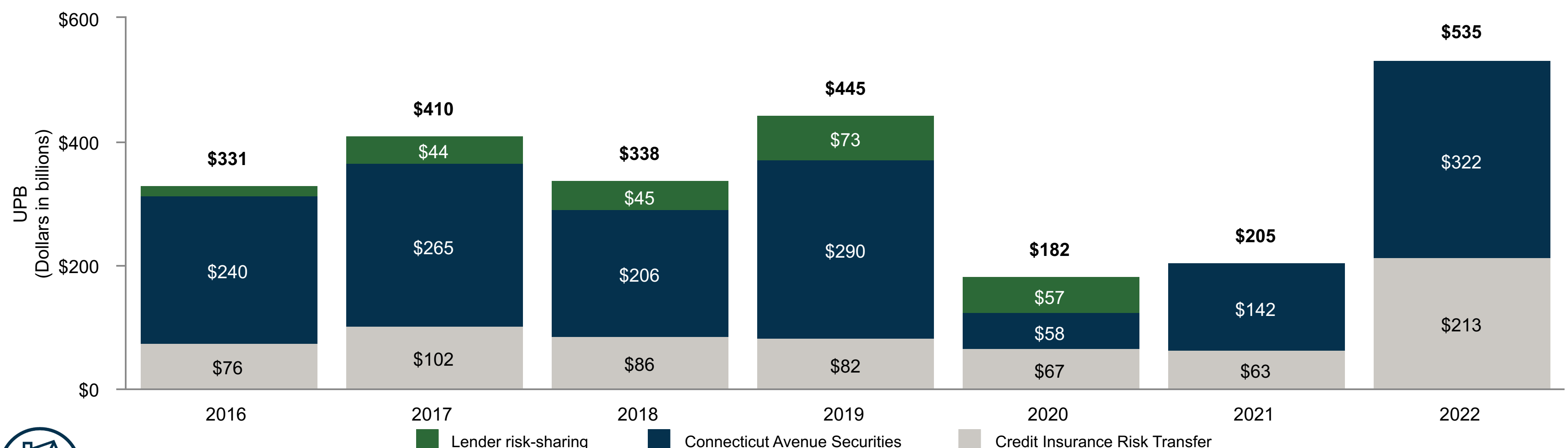
## Single-Family Credit Risk Transfer




## Single-Family Loans with Credit Enhancement

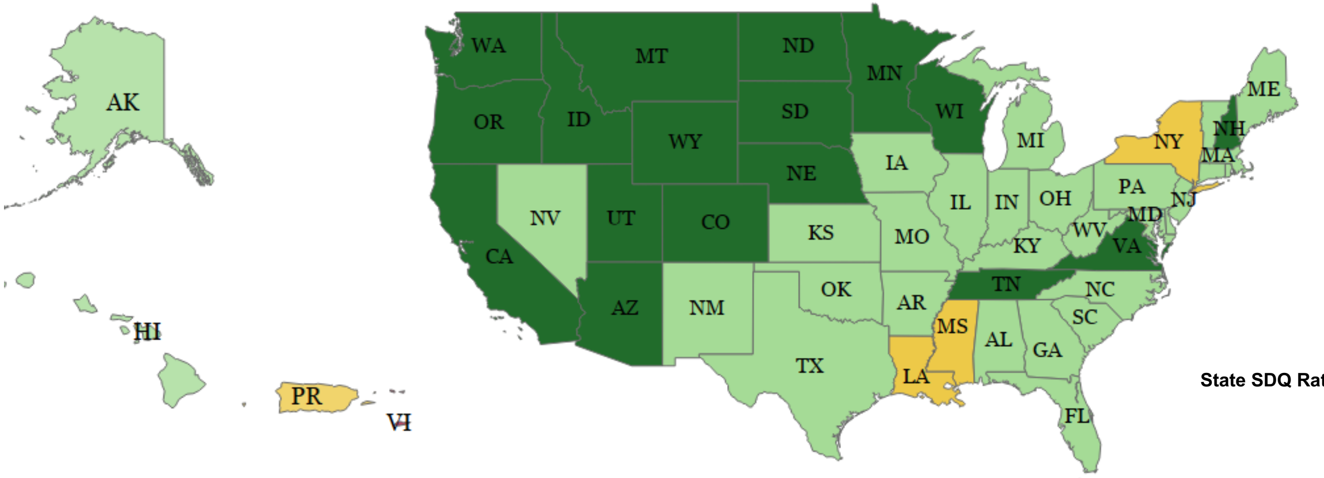
| Credit Enhancement Outstanding UPB (Dollars in billions) | 2020 Outstanding UPB | 2020 % of Book[27] Outstanding | 2021 Outstanding UPB | 2021 % of Book[27] Outstanding | 2022 Outstanding UPB | 2022 % of Book[27] Outstanding |
|---|---|---|---|---|---|---|
| Primary mortgage insurance & other[25] | $681 | 21% | $697 | 20% | **$754** | **21%** |
| Connecticut Avenue Securities[26] | $608 | 19% | $512 | 14% | **$726** | **20%** |
| Credit Insurance Risk Transfer[24] | $216 | 7% | $168 | 5% | **$323** | **9%** |
| Lender risk-sharing[26] | $131 | 4% | $70 | 2% | **$57** | **2%** |
| (Less: loans covered by multiple credit enhancements) | ($304) | (9)% | ($253) | (7)% | **($351)** | **(10)%** |
| Total single-family loans with credit enhancement | $1,332 | 42% | $1,194 | 34% | **$1,509** | **42%** |

## Single-Family Credit Risk Transfer Issuance



# Single-Family Problem Loan Statistics

## Single-Family Serious Delinquency Rate by State as of December 31, 2022[8]

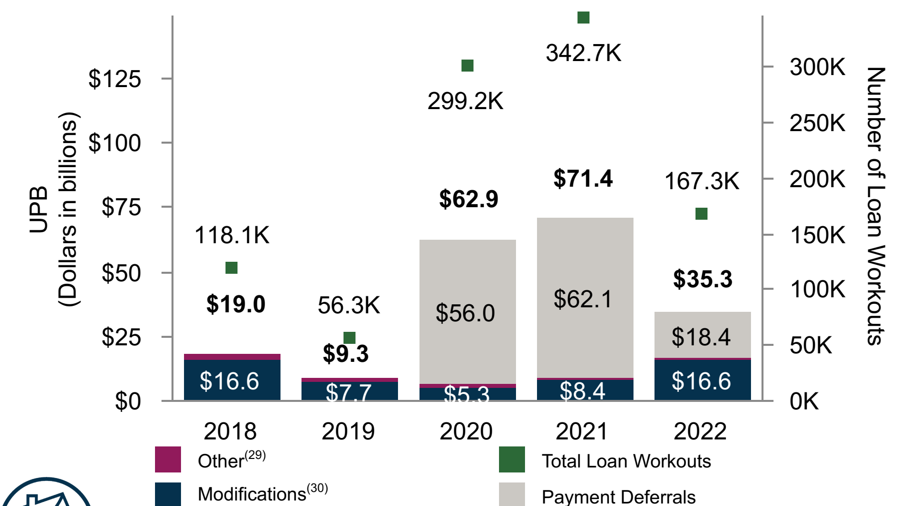



State SDQ Rate: Less than 0.50% | 0.50% to 0.99% | 1.00% to 1.99% | 2.00% and above

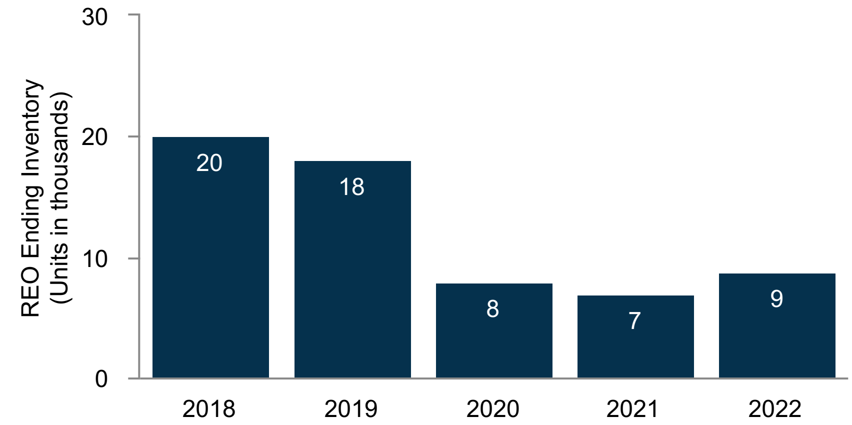
## Top 10 States by UPB

| State | Serious Delinquency Rate[8] | Average Months to Foreclosure[28] |
|---|---|---|
| CA | 0.46% | 34 |
| TX | 0.71% | 29 |
| FL | 0.90% | 59 |
| NY | 1.12% | 70 |
| WA | 0.41% | 35 |
| CO | 0.40% | 29 |
| NJ | 0.85% | 57 |
| IL | 0.86% | 35 |
| VA | 0.49% | 31 |
| AZ | 0.45% | 24 |

## Single-Family Loan Workouts

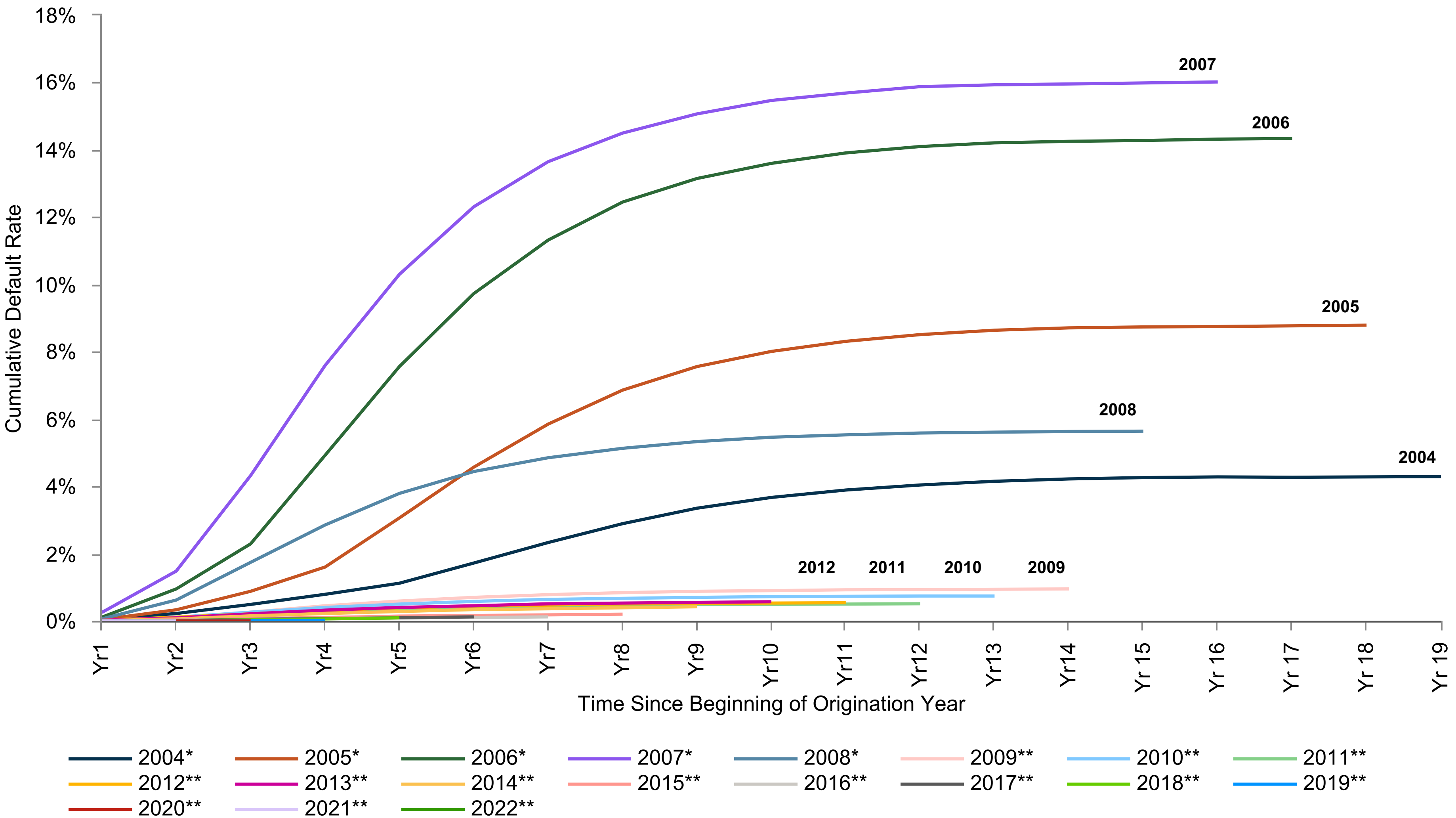



## Single-Family REO Ending Inventory



# Single-Family Cumulative Default Rates

## Cumulative Default Rates of Single-Family Conventional Guaranty Book of Business by Origination Year(44)




* Loans originated prior to 2009 represent only 2% of the single-family conventional guaranty book of business as of December 31, 2022.

** As of December 31, 2022, cumulative default rates on the loans originated in each individual year from 2009-2022 were less than 1%.

# Multifamily Business

# Multifamily Highlights

## 2022

**$4,687M**
Net interest income

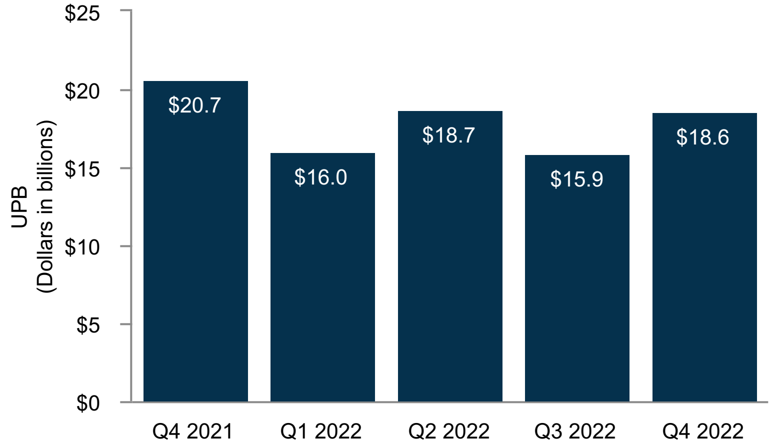
**$88M**
Fee and other income

**$(1,248)M**
Provision for credit losses

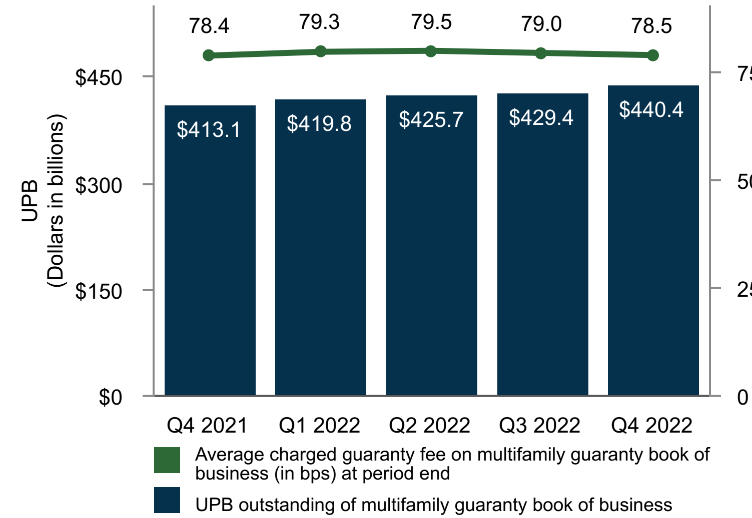
**$257M**
Change in expected credit enhancement recoveries

**$2,153M**
Net income

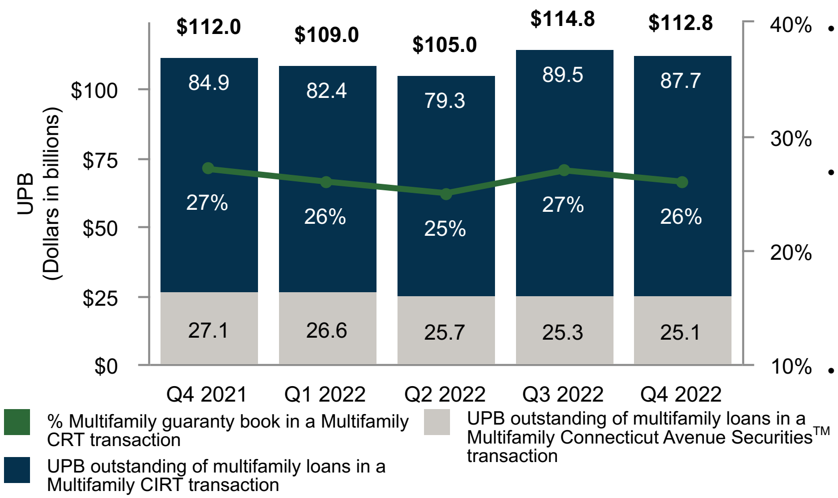
## Multifamily New Business Volume




## Multifamily Guaranty Book of Business[5]




## Multifamily Credit Risk Transfer




## Highlights

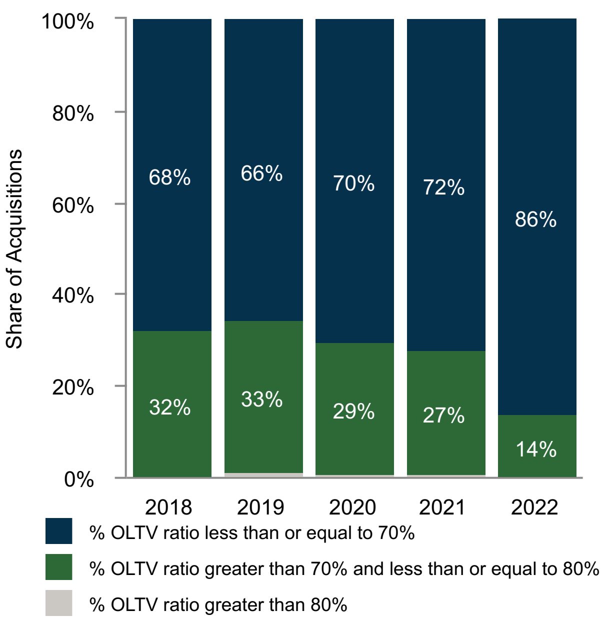
- New multifamily business volume was $69.2 billion in 2022.
- The multifamily guaranty book of business grew by approximately 7% in 2022 to $440.4 billion. The average charged guaranty fee on the multifamily book remained generally flat at 78.5 basis points as of December 31, 2022, compared with 78.4 basis points as of December 31, 2021.
- The multifamily business segment had net income of $2.2 billion and net revenues of $4.8 billion for 2022. In the fourth quarter, the segment recognized a $1.1 billion provision for credit losses, approximately $900 million of which related to the company's seniors housing portfolio, which has been disproportionately impacted by recent market conditions. This provision drove a $52 million net loss for the quarter.
- The multifamily serious delinquency rate decreased to 0.24% as of December 31, 2022, compared to 0.42% as of December 31, 2021, primarily as a result of loans that received forbearance resolving their delinquency through completion of their repayment plans or otherwise reinstating.

# Credit Characteristics of Multifamily Loan Acquisitions

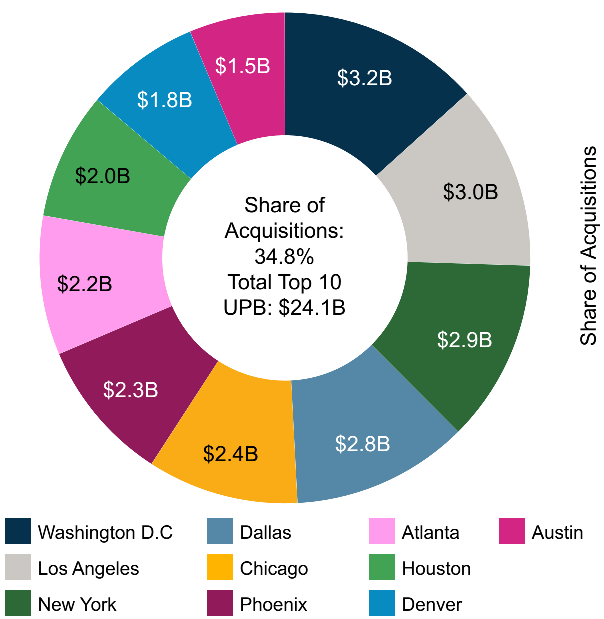
## Certain Credit Characteristics of Multifamily Loans by Acquisition Period(5)

| Categories are not mutually exclusive | 2018 | 2019 | 2020 | 2021 | 2022 |
|---|---|---|---|---|---|
| Total UPB (Dollars in billions) | $65.4 | $70.2 | $76.0 | $69.5 | **$69.2** |
| Weighted-Average OLTV Ratio | 65% | 66% | 64% | 65% | **59%** |
| Loan Count | 3,723 | 4,113 | 5,051 | 4,203 | **3,572** |
| % Lender Recourse(31) | 100% | 100% | 99% | 100% | **100%** |
| % DUS(32) | 99% | 100% | 99% | 99% | **99%** |
| % Full Interest-Only | 33% | 33% | 38% | 40% | **53%** |
| Weighted-Average OLTV Ratio on Full Interest-Only Acquisitions | 58% | 59% | 58% | 59% | **56%** |
| Weighted-Average OLTV Ratio on Non-Full Interest-Only Acquisitions | 68% | 69% | 68% | 68% | **63%** |
| % Partial Interest-Only(33) | 53% | 56% | 50% | 50% | **39%** |

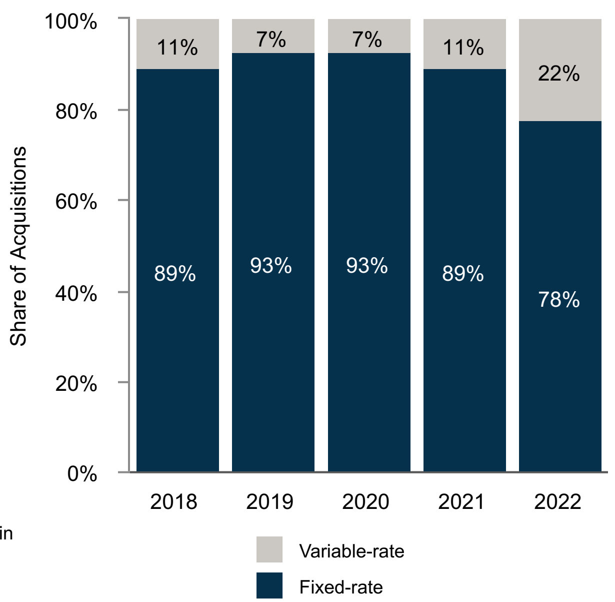
## Origination Loan-to-Value Ratio(5)




## Top 10 MSAs by 2022 Acquisition UPB(5)




## Acquisitions by Note Type(5)



# Credit Characteristics of Multifamily Guaranty Book of Business

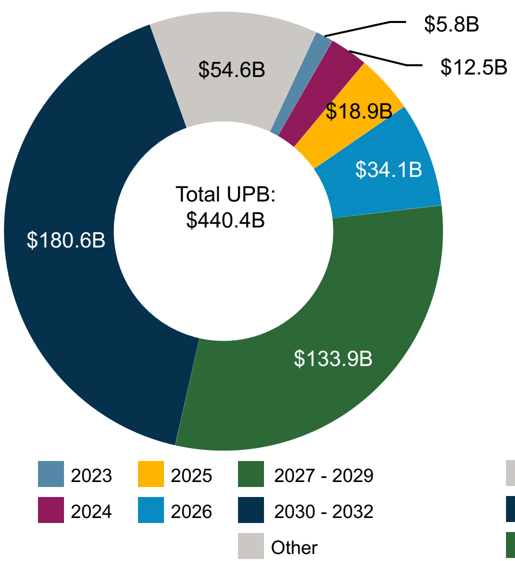
## Certain Credit Characteristics of Multifamily Guaranty Book of Business by Acquisition Year, Asset Class, or Targeted Affordable Segment[5]

**As of December 31, 2022**

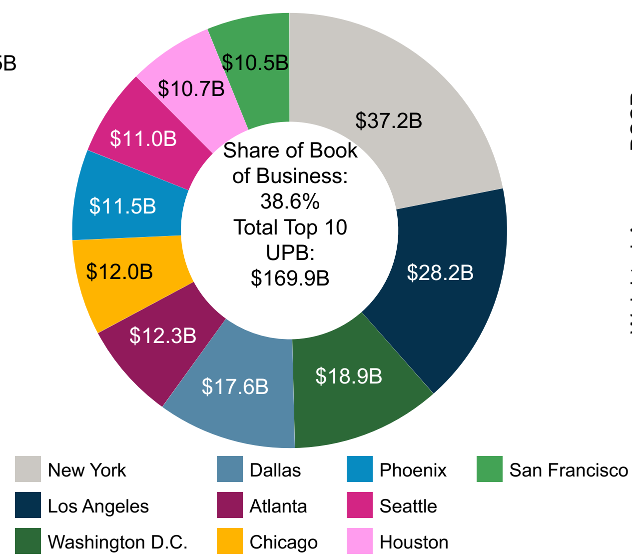
| | | Acquisition Year | | | | | | | Asset Class or Targeted Affordable Segment | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| **Categories are not mutually exclusive** | Overall Book | 2008 & Earlier | 2009-2017 | 2018 | 2019 | 2020 | 2021 | 2022 | Conventional /Co-op[34] | Seniors Housing[34] | Student Housing[34] | Manufactured Housing[34] | Privately Owned with Subsidy[38] |
| Total UPB (Dollars in billions) | $440.4 | $5.8 | $114.0 | $50.2 | $62.7 | $71.3 | $67.3 | $69.1 | $389.6 | $16.6 | $14.4 | $19.9 | $52.7 |
| % of Multifamily Guaranty Book | 100% | 1% | 26% | 12% | 14% | 16% | 15% | 16% | 88% | 4% | 3% | 5% | 12% |
| Loan Count | 28,023 | 2,259 | 7,327 | 2,705 | 3,432 | 4,677 | 4,058 | 3,565 | 25,064 | 590 | 585 | 1,784 | 3,801 |
| Average UPB (Dollars in millions) | $15.7 | $2.6 | $15.6 | $18.5 | $18.3 | $15.2 | $16.6 | $19.4 | $15.5 | $28.1 | $24.7 | $11.1 | $13.9 |
| Weighted-Average OLTV Ratio | 64% | 68% | 66% | 64% | 66% | 64% | 64% | 59% | 64% | 66% | 66% | 64% | 67% |
| Weighted-Average DSCR[36] | 2.2 | 2.6 | 2.1 | 2.0 | 2.1 | 2.6 | 2.4 | 1.8 | 2.2 | 1.5 | 1.9 | 2.3 | 2.0 |
| % with DSCR < 1.0[36] | 3% | 6% | 6% | 3% | 2% | 1% | 1% | 1% | 1% | 34% | 5% | —%* | 3% |
| % Fixed rate | 89% | 22% | 90% | 94% | 94% | 95% | 90% | 78% | 91% | 61% | 79% | 92% | 85% |
| % Full Interest-Only | 38% | 31% | 29% | 38% | 35% | 39% | 41% | 53% | 40% | 14% | 33% | 28% | 27% |
| % Partial Interest-Only[33] | 49% | 19% | 50% | 51% | 55% | 49% | 49% | 39% | 47% | 63% | 61% | 57% | 45% |
| % Small Balance Loans[35] | 38% | 90% | 41% | 28% | 34% | 36% | 26% | 25% | 38% | 12% | 21% | 50% | 44% |
| % DUS[32] | 99% | 92% | 98% | 100% | 100% | 99% | 99% | 99% | 99% | 98% | 100% | 100% | 98% |
| Serious Delinquency Rate[37] | 0.24% | 0.78% | 0.64% | 0.16% | 0.25% | 0.05% | 0.01% | 0.01% | 0.18% | 0.33% | 2.08% | 0.02% | 0.20% |
| % Classified[49] | 5% | 15% | 11% | 5% | 5% | 2% | 2% | 3% | 3% | 56% | 10% | —%* | 9% |

* represents less than 0.5%

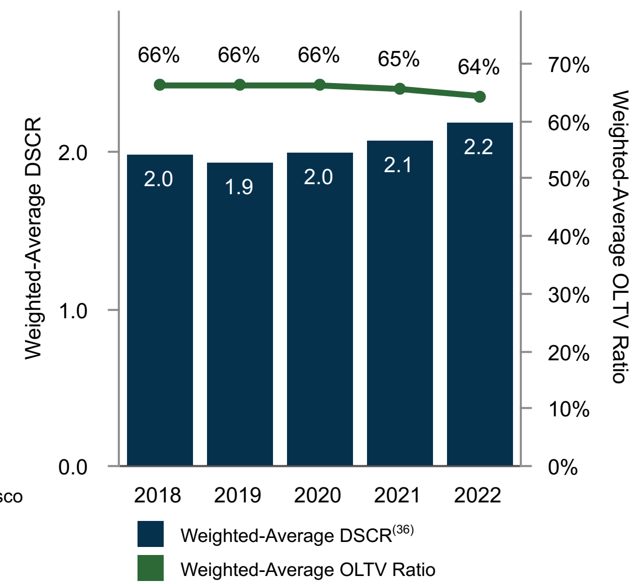
## UPB by Maturity Year As of December 31, 2022[5]




## Top 10 MSAs by UPB As of December 31, 2022[5]

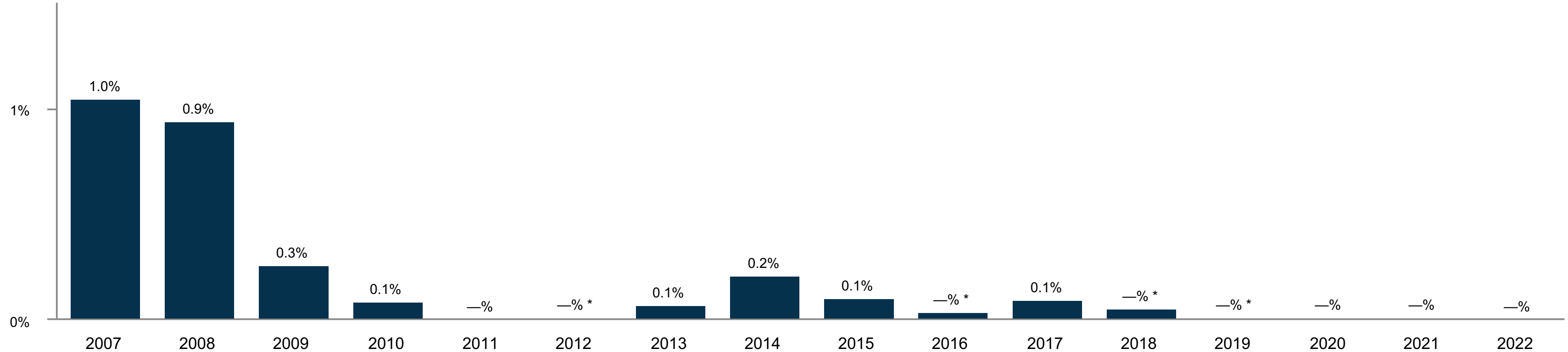



## Certain Credit Characteristics of Guaranty Book[5]



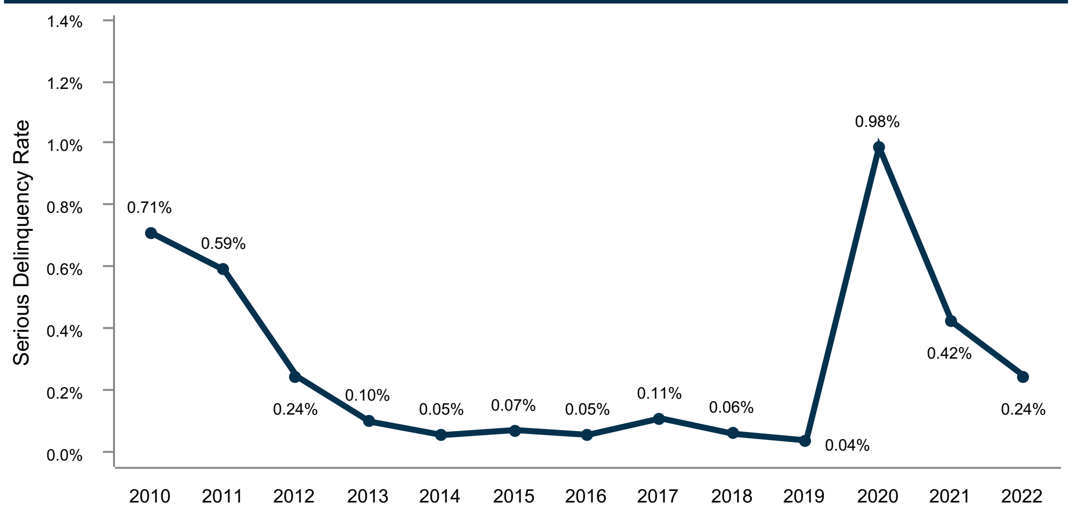
# Multifamily Serious Delinquency, Credit Loss and Forbearance Rates

## Cumulative Total Credit Loss Rate, Net by Acquisition Year Through Q4 2022[39]

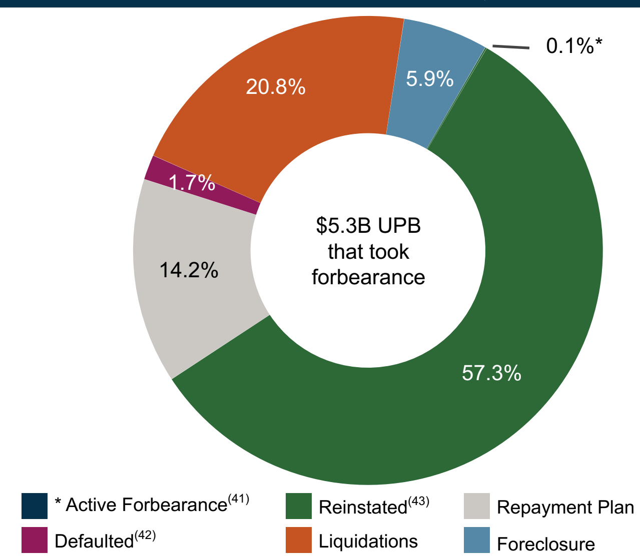



* Represents less than 0.05% of cumulative total credit loss rate, net by acquisition year

## Serious Delinquency Rate[37]




## COVID-19-Related Loan Forbearance Status as of December 31, 2022[40]



# Endnotes

# Endnotes

(1) Other expenses, net are comprised of debt extinguishment gains and losses, foreclosed property income (expense), gains and losses from partnership investments, housing trust fund expenses, loan subservicing costs, and servicer fees paid in connection with certain loss mitigation activities.

(2) Calculated based upon net worth divided by total assets outstanding at the end of the period.

(3) Net amortization income refers to the amortization of premiums and discounts on mortgage loans and debt of consolidated trusts. These cost basis adjustments represent the difference between the initial fair value and the carrying value of these instruments as well as upfront fees Fannie Mae receives at the time of loan acquisition. This excludes the amortization of cost basis adjustments resulting from hedge accounting.

(4) Single-family conventional loan population consists of: (a) single-family conventional mortgage loans of Fannie Mae and (b) single-family conventional mortgage loans underlying Fannie Mae MBS other than loans underlying Freddie Mac securities that Fannie Mae has resecuritized. It excludes non-Fannie Mae single-family mortgage-related securities held in the retained mortgage portfolio for which Fannie Mae does not provide a guaranty. Conventional refers to mortgage loans and mortgage-related securities that are not guaranteed or insured, in whole or in part, by the U.S. government or one of its agencies.

(5) The multifamily guaranty book of business consists of: (a) multifamily mortgage loans of Fannie Mae; (b) multifamily mortgage loans underlying Fannie Mae MBS; and (c) other credit enhancements that the company provided on multifamily mortgage assets. It excludes non-Fannie Mae multifamily mortgage-related securities held in the retained mortgage portfolio for which Fannie Mae does not provide a guaranty.

(6) The average estimated mark-to-market LTV ratio is based on the unpaid principal balance of the loan divided by the estimated current value of the property at period end, which the company calculates using an internal valuation model that estimates periodic changes in home value. Excludes loans for which this information is not readily available.

(7) FICO credit score is as of loan origination, as reported by the seller of the mortgage loan.

(8) Single-family SDQ rate refers to single-family loans that are 90 days or more past due or in the foreclosure process, expressed as a percentage of the company’s single-family conventional guaranty book of business, based on loan count. Single-family SDQ rate for loans in a particular category refers to SDQ loans in the applicable category, divided by the number of loans in the single-family conventional guaranty book of business in that category.

(9) Total base guaranty fee income is interest income from the guaranty book of business including the impact of a 10 basis point guaranty fee increase implemented in 2012 pursuant to the Temporary Payroll Tax Cut Continuation Act of 2011 and as extended by the Infrastructure Investment and Jobs Act, the incremental revenue from which is remitted to Treasury and not retained by the company.

(10) Includes interest income from assets held in the company's retained mortgage portfolio and other investments portfolio, as well as other assets used to support lender liquidity. Also includes interest expense on the company's outstanding corporate debt and Connecticut Avenue Securities® debt as well as the impact from hedge accounting.

(11) Reflects the company's aggregate indebtedness at the end of each period presented measured in unpaid principal balance and excludes effects of cost basis adjustments and debt of consolidated trusts.

(12) Cash equivalents are comprised of overnight repurchase agreements and U.S. Treasuries that have a maturity at the date of acquisition of three months or less.

(13) Refers to the U.S. weekly average fixed-rate mortgage rate according to Freddie Mac's Primary Mortgage Market Survey®. These rates are reported using the latest available data for a given period.

(14) U.S. Gross Domestic Product ("GDP") annual growth (decline) rates are based on the annual "percentage change from fourth quarter to fourth quarter one year ago" calculated by the Bureau of Economic Analysis and are subject to revision.

# Endnotes

(15) Home price estimates are based on purchase transactions in Fannie-Freddie acquisition and public deed data available through the end of December 2022. Including subsequent data may lead to materially different results. Home price growth rate is not seasonally adjusted. UPB estimates are based on data available through the end of December 2022, and the top 10 states are reported by UPB in descending order. One-year home price growth rate is for the 12-month period ending December 31, 2022.

(16) Represents, on an annualized basis, the sum of the base guaranty fees charged during the period for the company's single-family conventional guaranty arrangements plus the recognition of any upfront cash payments relating to these guaranty arrangements based on an estimated average life at the time of acquisition. In Q4 2022, the company enhanced the method it uses to estimate average loan life at acquisition. Charged fees reported for prior periods have been updated in this Financial Supplement to reflect this updated methodology. Excludes the impact of a 10 basis point guaranty fee increase implemented pursuant to the TCCA, the incremental revenue from which is remitted to Treasury and not retained by the company.

(17) Excludes loans for which this information is not readily available. From time to time, the company revises its guidelines for determining a borrower's DTI ratio. The amount of income reported by a borrower and used to qualify for a mortgage may not represent the borrower's total income; therefore, the DTI ratios reported may be higher than borrowers' actual DTI ratios.

(18) Refers to HomeReady® mortgage loans, a low down payment mortgage product offered by the company that is designed for creditworthy low-income borrowers. HomeReady allows up to 97% loan-to-value ratio financing for home purchases. The company offers additional low down payment mortgage products that are not HomeReady loans; therefore, this category is not representative of all high LTV ratio single-family loans acquired or in the single-family conventional guaranty book of business for the periods shown. See the "OLTV Ratio > 95%" category for information on the single-family loans acquired or in the single-family conventional guaranty book of business with origination LTV ratios greater than 95%.

(19) "Refi Plus" refers to loans acquired under Fannie Mae's Refi Plus initiative, which offered refinancing flexibility to eligible Fannie Mae borrowers who were current on their loans and who applied prior to the initiative's December 31, 2018 sunset date. Refi Plus had no limits on maximum LTV ratio and provided mortgage insurance flexibilities for loans with LTV ratios greater than 80%.

(20) Calculated based on the aggregate unpaid principal balance of single-family loans for each category divided by the aggregate unpaid principal balance of loans in the single-family conventional guaranty book of business. Loans with multiple product features are included in all applicable categories.

(21) Consists of loans that are in an active forbearance as of December 31, 2022.

(22) Percentage of loans in the single-family conventional guaranty book of business, measured by unpaid principal balance, included in an agreement used to reduce credit risk by requiring collateral, letters of credit, mortgage insurance, corporate guarantees, inclusion in a credit risk transfer transaction reference pool, or other agreement that provides for Fannie Mae's compensation to some degree in the event of a financial loss relating to the loan.

(23) Amortized origination loan-to-value ratio is calculated based on the current UPB of a loan at period end, divided by the home price at origination of the loan.

(24) Includes mortgage pool insurance transactions covering loans with an unpaid principal balance of approximately $1.3 billion outstanding as of December 31, 2022.

(25) Refers to loans included in an agreement used to reduce credit risk by requiring primary mortgage insurance, collateral, letters of credit, corporate guarantees, or other agreements to provide an entity with some assurance that it will be compensated to some degree in the event of a financial loss. Excludes loans covered by credit risk transfer transactions unless such loans are also covered by primary mortgage insurance.

(26) Outstanding unpaid principal balance represents the underlying loan balance, which is different from the reference pool balance for CAS and some lender risk-sharing transactions.

(27) Based on the unpaid principal balance of the single-family conventional guaranty book of business as of period end.

# Endnotes

(28) Measured from the borrowers' last paid installment on their mortgages to when the related properties were added to the company's REO inventory for foreclosures completed during the twelve months ended December 31, 2022. Home Equity Conversion Mortgages insured by the Department of Housing and Urban Development are excluded from this calculation.

(29) Includes repayment plans and foreclosure alternatives. Repayment plans reflect only those plans associated with loans that were 60 days or more delinquent. Beginning with the year ended December 31, 2020, completed forbearance arrangements are excluded.

(30) There were approximately 15,800 loans in a trial modification period that was not complete as of December 31, 2022.

(31) Represents the percentage of loans with lender risk-sharing agreements in place, measured by unpaid principal balance.

(32) Under the Delegated Underwriting and Servicing ("DUS") program, Fannie Mae acquires individual, newly originated mortgages from specially approved DUS lenders using DUS underwriting standards and/or DUS loan documents. Because DUS lenders generally share the risk of loss with Fannie Mae, they are able to originate, underwrite, close and service most loans without a pre-review by the company.

(33) Includes any loan that was underwritten with an interest-only term less than the term of the loan, regardless of whether it is currently in its interest-only period.

(34) See https://multifamily.fanniemae.com/financing-options/products for definitions. Loans with multiple product features are included in all applicable categories.

(35) Small balance loans refers to multifamily loans with an original unpaid balance of up to $6 million nationwide.

(36) Debt service coverage ratio, or "DSCR", is calculated using the latest available income information from quarterly statements for these properties for the year to date, or the trailing twelve months for Credit Facilities. When an annual statement is the latest statement available, it is used. When operating statement information is not available, the DSCR at the time of acquisition is used. If both are unavailable, the underwritten DSCR is used. Although the company uses the most recently available results from their multifamily borrowers, there is a lag in reporting, which typically can range from three to six months, but in some cases may be longer. Co-op loans are excluded from this metric.

(37) Multifamily serious delinquency rate refers to multifamily loans that are 60 days or more past due, expressed as a percentage of the company's multifamily guaranty book of business, based on unpaid principal balance. Multifamily serious delinquency rate for loans in a particular category (such as acquisition year, asset class or targeted affordable segment), refers to seriously delinquent loans in the applicable category, divided by the unpaid principal balance of the loans in the multifamily guaranty book of business in that category.

(38) The Multifamily Affordable Business Channel focuses on financing properties that are under an agreement that provides long-term affordability, such as properties with rent subsidies or income restrictions. The parameters to qualify under Privately Owned with Subsidy were expanded in Q3 2021, resulting in an increase in properties classified as targeted affordable volume.

(39) Cumulative net credit loss rate is the cumulative net credit losses (gains) through December 31, 2022 on the multifamily loans that were acquired in the applicable period, as a percentage of the total acquired unpaid principal balance of multifamily loans that were acquired in the applicable period. Net credit losses include expected benefit of freestanding loss-sharing arrangements, primarily multifamily DUS lender risk-sharing transactions.

(40) Displays the status and percentage of UPB as of current period end of the multifamily loans in the guaranty book of business that have received a COVID-19-related forbearance since the onset of the COVID-19 pandemic, including loans that liquidated prior to period end.

(41) There is one multifamily loan in the guaranty book of business that received a COVID-19-related forbearance since the onset of the COVID-19 pandemic that remains in an active forbearance as of December 31, 2022.

# Endnotes

(42) Includes loans that are no longer in forbearance and are not on a repayment plan. Loans in this population may proceed to other loss mitigation activities, such as foreclosure or modification.

(43) Represents multifamily loans that are no longer in forbearance and are current according to the original terms of the loan.

(44) Defaults include loan foreclosures, short sales, sales to third parties at the time of foreclosure and deeds-in-lieu of foreclosure. Cumulative Default Rate is the total number of single-family conventional loans in the guaranty book of business originated in the identified year that have defaulted, divided by the total number of single-family conventional loans in the guaranty book of business originated in the identified year. Data as of December 31, 2022 is not necessarily indicative of the ultimate performance of the loans and performance may change, perhaps materially, in future periods.

(45) Consists of the company's allowance for loan losses, allowance for accrued interest receivable and reserve for guaranty losses. The measurement of loss reserves was impacted by the adoption of the CECL standard on January 1, 2020. See "Note 1, Summary of Significant Accounting Policies" in the company's 2021 Form 10K for more information about its adoption of the CECL standard.

(46) Calculated based on single-family conventional guaranty book of business.

(47) Prior to the company's adoption of the CECL standard on January 1, 2020, benefits for freestanding credit enhancements were netted against multifamily loss reserves. As of January 1, 2020, these credit enhancements are recorded in "Other assets" in the company's consolidated balance sheet.

(48) Calculated based on net income for the reporting period divided by average total assets during the period, expressed as a percentage. Average balances for purposes of ratio calculations are based on balances at the beginning of the year and at the end of each quarter for each year shown.

(49) The classified ratio represents loans classified as "Substandard" or "Doubtful." Loans classified as "Substandard" have a well-defined weakness that jeopardizes the timely full repayment. "Doubtful" refers to a loan with a weakness that makes collection or liquidation in full highly questionable and improbable based on existing conditions and values.