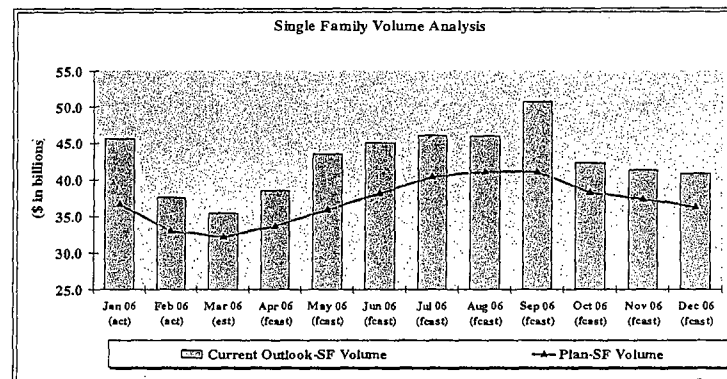


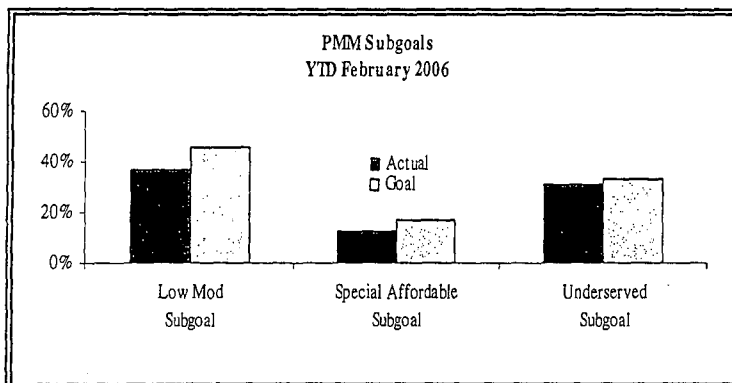


Single-Family Credit Guaranty Business – April 2006 Snapshot

- Leading indicators of home sales predict slower activity in the coming months. Home sales should decline as a result of rising mortgage rates and waning investor demand. Although the housing market is showing signs of cooling, the underlying market fundamentals remain solid.
- Our year-to-date March Mortgage Related Securities Issuance – Single-family (MRS-SF) share vs. the market was 22 percent compared to plan of greater than 25 percent and our share vs. Freddie Mac was 57 percent vs. plan of greater than 55 percent. We expect to regain MRS-SF market share with the rollout of key Single-family initiatives focused on growing the business (Sub-prime and Alt-A recapture).
- We currently expect to achieve our 2006 base HUD housing goals and will be committed yet challenged to meet our PMM subgoals. YTD results for subgoals were below expectations as our top ten lender deliveries were below subgoal targets.



- We increased our full year volume forecast to \$513 billion, \$68 billion above plan of \$445 billion. The significant change in our forecast is primarily driven by an expected increase in refinance activity, higher fixed-rate mortgage business and an increase in our Fannie Mae share of the market.
- Our full year book growth forecast is 7.4 percent compared to plan of 5.8 percent.
- Our year-to-date March gross charged fee improved to 26.7 basis points compared to 26.5 basis points at the end of February and full year plan of 26.0 basis points. Our year-to-date March negative gap grew to minus 4.5 basis points vs. minus 4.3 basis points at the end of February. Our negative gap is primarily the result of our efforts to retain and capture market share.
- Desktop Underwriter loan applications increased by about 168,000 applications from February to March. This is consistent with the historical trends for DU volume for this time of the year. Nearly 50 percent of this positive variance was contributed by the top 10 DU lenders.



Confidential and Proprietary – Confidential Treatment Requested by Fannie Mae

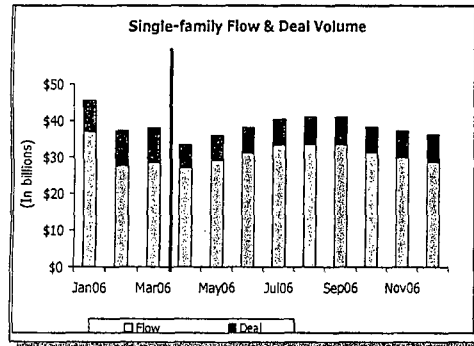
PROPRIETARY AND CONFIDENTIAL
 CONFIDENTIAL TREATMENT REQUESTED
 BY FANNIEMAE

Confidential Treatment
 Requested By Fannie Mae

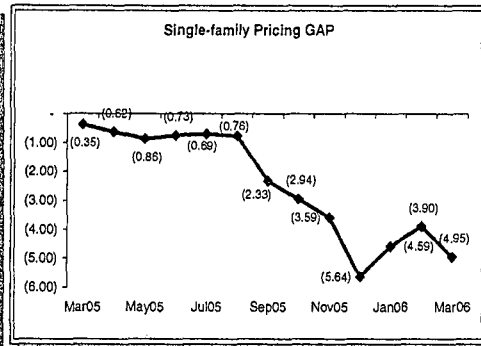
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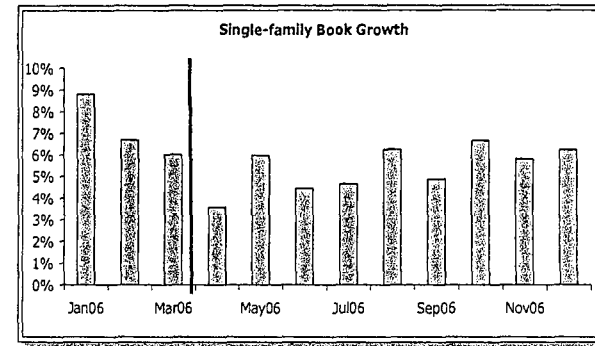
Single-Family Credit Guaranty Business – April 2006 Snapshot



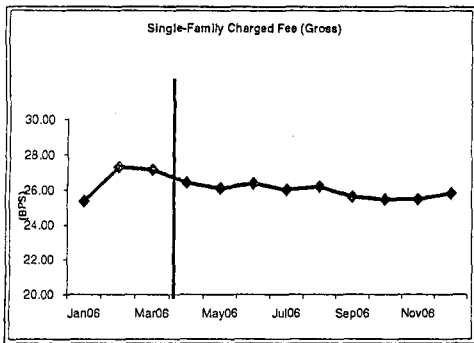
Preliminary March '06 \$ 38.2 B
Preliminary YTD 2006 \$ 121.3 B



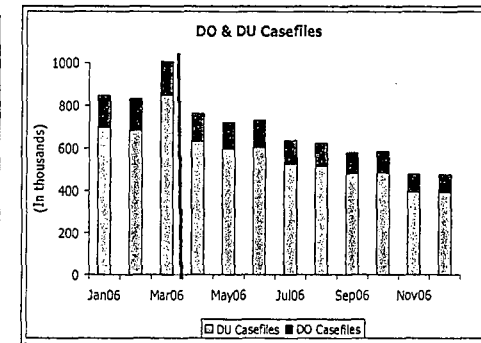
Preliminary March '06 (4.95) bps
Preliminary YTD 2006 (4.49) bps



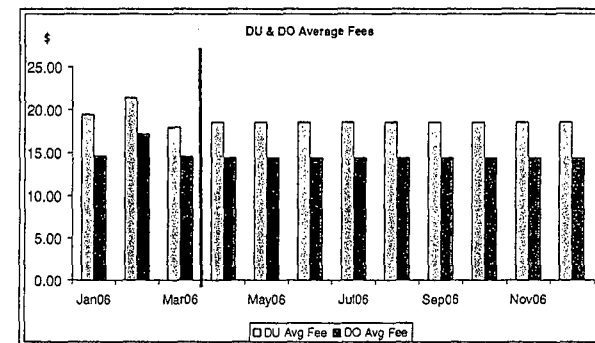
Preliminary March '06 6.5%
Preliminary YTD 2006 7.3%



Preliminary March '06 27.2 bps
Preliminary YTD 2006 26.7 bps



Preliminary March '06 1,036.1
Preliminary YTD 2006 2,717.2



Preliminary DU Revenue March \$ 15.3 M
Preliminary DU Revenue YTD \$ 43.4 M
Preliminary DO Revenue March \$ 2.7 M
Preliminary DO Revenue YTD \$ 7.5 M

PROPRIETARY AND CONFIDENTIAL
 CONFIDENTIAL TREATMENT REQUESTED
 BY FANNIE MAE

Confidential Treatment
 Requested By Fannie Mae

FMSE 703347

Source: Controllers Business Planning