

Business Review Briefing

March 13, 2007

- Rob Levin
- Tom Lund
- Ken Bacon
- Peter Niculescu
- Mike Quinn

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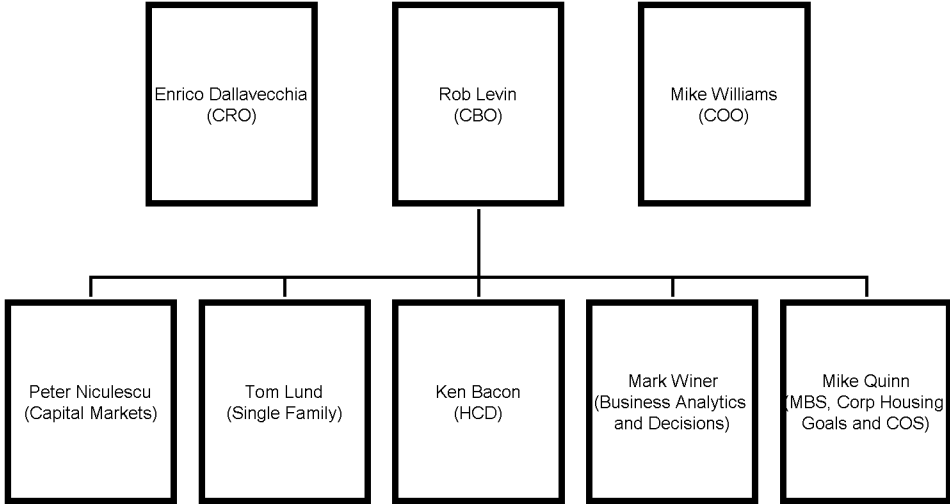
Agenda

- Overview (Levin) (20 minutes)
- Housing Goals (Quinn) (10 minutes)
- Single Family Business Review (Lund) (15 minutes)
- Housing and Community Development (Bacon) (15 minutes)
- Capital Markets (Niculescu) (15 minutes)
- Questions (15 minutes)
- Appendix
 - Draft Monthly Metrics Report

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Organization



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Plan – Macroeconomic Assumptions

	Forecast 2006	Plan 2007	Plan 2008	Plan 2009	Plan 2010
Interest Rates					
1 yr. T-Note	4.90	4.55	4.46	4.59	4.68
10 yr. T-Note	4.90	4.63	4.72	4.78	4.84
FRM Rate	6.42	6.24	6.31	6.35	6.37
Originations					
Total Mortgage Originations	\$2,439	\$2,252	\$2,139	\$2,147	\$2,232
Refinance Share	40.7%	42.9%	38.6%	36.7%	36.0%
Mortgage Debt Outstanding (\$B's)	\$10,257	\$10,851	\$11,409	\$12,041	\$12,729
% <i>yrlyr change</i>	9.3%	5.8%	5.1%	5.5%	5.7%
SF 1st Lien MDO Growth	8.8%	5.3%	4.6%	5.0%	5.1%
MF MDO Growth	7.9%	5.8%	5.1%	5.5%	5.7%
ARM Share	24.7%	23.2%	20.6%	20.2%	20.0%
Housing Markets					
Total Home Sales (thous)	7,492	6,911	6,948	7,024	7,114
% <i>yrlyr change</i>	-10.4%	-7.8%	0.5%	1.1%	1.3%
Single Family Housing Starts (thous)	1,501	1,292	1,279	1,307	1,341
Median total existing home prices (\$thous)	\$220	\$214	\$217	\$222	\$230
% <i>yrlyr change</i>	0.4%	-2.9%	1.5%	2.1%	3.8%

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Plan

\$M	2006	2007	2008	2009	2010	06-10 CAGR	07-10 CAGR
Net Income							
Single Family	\$2,303	\$2,378	\$2,677	\$3,037	\$3,494	11.0%	13.7%
Housing and Community Development	669	690	932	1,122	1,214	16.1%	20.7%
Capital Markets	2,426	1,673	1,507	1,419	1,548	-10.6%	-2.6%
Total Fannie Mae	\$5,398	\$4,742	\$5,116	\$5,578	\$6,256	3.8%	9.7%
Return on Equity	15.3%	11.9%	12.6%	13.4%	14.4%		

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Spread Widening Scenario

	Forecast 2006	Plan 2007	Plan 2008	Plan 2009	Plan 2010
<u>Interest Rates</u>					
1 yr. T-Note	4.93	2.64	2.06	2.19	2.28
10 yr. T-Note	4.77	3.50	3.22	3.28	3.34
FRM Rate	6.39	5.55	5.32	5.37	5.34
<u>Originations</u>					
Total Mortgage Originations	\$2,455	\$4,014	\$3,634	\$2,756	\$2,624
Refinance Share	41.2%	70.8%	65.7%	51.1%	44.9%
Mortgage Debt Outstanding	\$10,258	\$10,861	\$11,418	\$12,058	\$12,719
<i>% yr/yr change</i>	9.4%	5.9%	5.1%	5.6%	5.5%

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Projection with Spread Widening

\$M	2006	2007	2008	2009	2010	06-10 CAGR	07-10 CAGR
Net Income							
Single Family	\$2,303	\$2,378	\$2,677	\$3,037	\$3,494	11.0%	13.7%
Housing and Community Development	669	690	932	1,122	1,214	16.1%	20.7%
Capital Markets	2,426	2,086	3,688	3,478	3,716	11.3%	21.2%
Total Fannie Mae	\$5,398	\$5,155	\$7,297	\$7,637	\$8,424	11.8%	17.8%
Return on Equity	15.3%	13.0%	18.2%	18.4%	19.5%		

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Plan – 5 Year Income Statement

\$M	2006	2007	2008	2009	2010	CAGR	CAGR
Net interest income	\$ 6,883	\$ 5,370	\$ 5,007	\$ 4,933	\$ 5,592	-5.0%	1.4%
Guaranty fees	4,009	4,427	4,763	5,180	5,673	9.1%	8.6%
Fee and other income	(29)	62	104	232	346		77.1%
Revenue	\$ 10,844	\$ 9,860	\$ 9,873	\$ 10,344	\$ 11,611	1.7%	5.6%
Administrative expenses	(3,072)	(2,850)	(2,250)	(2,000)	(2,000)	-10.2%	-11.1%
Debt Extinguishment	181	-	-	-	-		
Credit expenses	(186)	(604)	(710)	(798)	(816)	44.7%	10.6%
Credit enhancement expenses	(162)	(341)	(523)	(686)	(840)	51.0%	35.1%
Loss Deals	(120)	(127)	(136)	(144)	(154)	8.4%	6.9%
Taxes	(1,230)	(684)	(699)	(813)	(1,201)	-0.6%	20.6%
Net income, pre MTM & Time Decay	\$ 6,265	\$ 5,265	\$ 5,565	\$ 5,902	\$ 6,600	1.3%	7.9%
Gain/(Loss) on derivative MTM	(858)	(513)	(439)	(324)	(344)	-20.4%	-12.5%
Net income, less MTM	\$ 5,398	\$ 4,742	\$ 5,116	\$ 5,578	\$ 6,266	3.8%	9.7%

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Looking Ahead

- Changing Market Conditions
- Customers
- Tax Plan
- Controls Remediation
- Portfolio Growth
- Metrics
- 2007 HUD Goals

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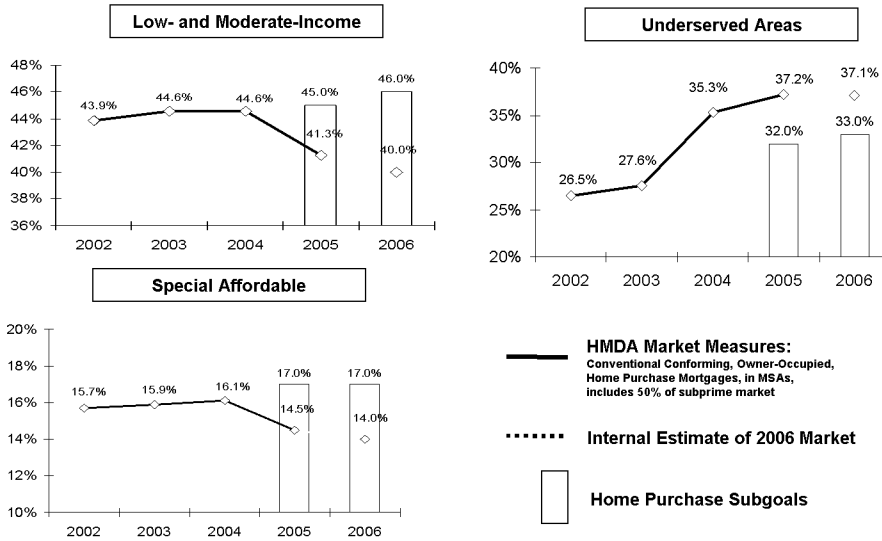
Housing Goals

Mike Quinn

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Market Has Changed Relative to Subgoal Levels

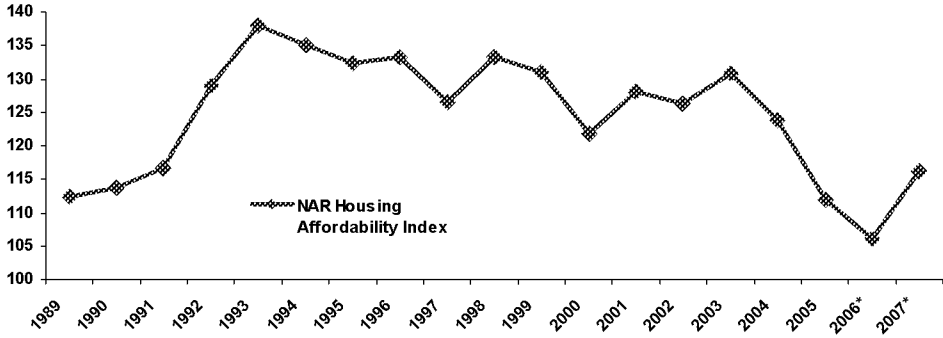


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Reason for the Market Shift

Housing Affordability is Declining



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Cost of Housing Goals

<u>Initiatives</u>	Beginning Year Estimate		Actual Cost	
	Cash Flow Cost (millions)	Opportunity Cost (millions)	Cash Flow Cost (millions)	Opportunity Cost (millions)
Private Label Subprime Securities	\$0	\$0-40	\$0	\$10
Manufactured Housing	\$45	\$130	\$25	\$40
CRA Related Product	\$100	\$260	\$50	\$280
DU "bumps" and Other	\$40	\$85	\$40	\$60
	----- \$185	----- \$475-515	----- \$115	----- \$390

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Single-Family Business Review

Tom Lund

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Managing the Current Credit Cycle

We foresaw market turbulence...

- 5-year run of home price appreciation
- Consumer preference for riskier mortgages; surge in investor activity
- Decline in affordability
- Higher LTVs and lower FICOs
- Extensive risk layering

...and we took a proactive stance...

- Spoke first publicly about risk
- Tightened credit guidelines
- Strategically managed high risk segments
- Leveraged credit enhancements

...that led to significant business impact...

- Lost market share
- Book growth below the market
- Conceded revenues to credit enhancement providers

...as the market developed a similar view.

- Subprime market under great stress
- Increased scrutiny of nontraditional products
- Interagency guidance issued
- Early payment defaults
- Widening spreads

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2005 highlights:

FNM SF pursued “stay the course” strategy

Develop subprime infrastructure

Develop conduit capability (RTF) to sell off risk

Significant challenges in the operating environment

Dramatic increase in competition from credit risk takers in Private Label market

Conceded considerable market share to Private Label; maintained share vs. FRE

Consumer preference for riskier ARM products

Unrelenting competition from Private Label and subprime

Maintained strong customer relationships

Increasing affordability concerns (emphasis on lowest possible payment vs. terms)

Record housing demand and increasing supply constraints

Borrowers beginning to switch from Arm to FRM towards end of 2005

SF successfully launched new customer-focused organization

Guiding principles:

Put the customer first

One Fannie Mae voice

Build strong credit and operational discipline

Single-Family Book of Business

Making sound business decisions resulted in a very strong book...

	December 2006	December 2005	% Change
UPB (\$B)	\$ 2,208.0	\$ 2,035.3	8.5%
Weighted Avg OLTV	70.4%	69.8%	0.8%
Wtd Avg MTM LTV	55.5%	53.5%	3.7%
Wtd Avg FICO	721	721	0.1%
% Investor	5.5%	5.2%	5.8%
% ARM	12.8%	13.2%	-3.2%
% InterestOnly ARM	4.5%	3.5%	29.2%
% Negam	1.5%	1.6%	-2.6%
Seriously Delinquent Rates:			
Single-Family Conventional	0.65%	0.79%	-17.1%

Note: Excludes Government, Reverse Mortgages, Whole Loan REMICs, and WRAPs

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•% ARM for Market: 28.6% (2006) 32.4% (2005)

Top Five Objectives for 2007

- Grow the Business and Increase Market Penetration
- Enhance Risk Management and Controls
- Achieve Housing Goals
- Improve Productivity and Efficiency
- Innovate for Customers and Risk

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Five Year Income Projections

SM	Single Family					06-10	07-10
	2006	2007	2008	2009	2010	CAGR	CAGR
Net interest income	\$ 1,256	\$ 1,507	\$ 1,682	\$ 1,982	\$ 2,361	17.1%	16.1%
Guaranty fees	3,806	4,250	4,598	5,030	5,533	9.8%	9.2%
Fee and other income	255	209	193	174	173	-9.3%	-6.2%
Revenue	\$ 5,317	\$ 5,966	\$ 6,473	\$ 7,187	\$ 8,067	11.0%	10.6%
Administrative expenses	(1,386)	(1,325)	(1,064)	(977)	(977)	-8.4%	-9.7%
Credit expenses	(208)	(550)	(652)	(728)	(738)	37.3%	10.3%
Credit enhancement expenses	(161)	(341)	(523)	(686)	(840)	51.0%	35.1%
Loss Deals	(120)	(127)	(136)	(144)	(154)	6.4%	6.6%
Taxes	(1,139)	(1,244)	(1,422)	(1,615)	(1,865)	13.1%	14.4%
Net Income, less MTM	\$ 2,303	\$ 2,378	\$ 2,677	\$ 3,037	\$ 3,494	11.0%	13.7%

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Housing and Community Development Business Review

Ken Bacon

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HCD: Profile

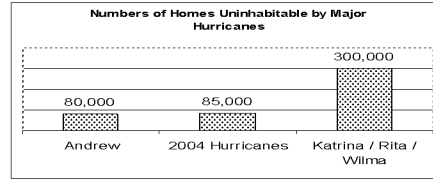
Business Lines	Book of Business 12/31/06 (\$ MM)	2006 Production (\$ MM)	2007 Production Goals (\$ MM)
Multifamily (incl. Small Loan Revenue)	119,830	22,600	22,032
Community Lending	705	480	1,446
Community Investments (LIHTC—pre-restatement)	6,598	1,973	1,000
Community Investments (Equity—pre-restatement)	795	380	638
Total HCD	127,928	25,430	25,116

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Long-Term Strategy for Gulf Coast Set in April 2006

In response to devastation of Katrina, Rita, and Wilma, Fannie Mae set Long Term Strategy in April 2006 with focus on four elements:



<p>Restart Lives <i>Address borrower needs and keep market functioning</i></p>	<p>Help Evacuees <i>Support needs of households living away from home</i></p>
<p>Aid Rebuilding <i>\$4 billion Focused Financing Target for 2006-2007</i> Includes \$277 million Potential Financial Impact allocation</p>	<p>Leverage Employees <i>Engage to connect employees with company's response</i></p>

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Progress On Long Term Strategy

- **Restarting Lives**
 - 46,000 households used forbearance (allowed up to 18 months); now on a case-by-case basis
 - 13,000 SF loan workouts done to prevent “sticker shock” of getting current
 - 35,000 property inspections conducted by 11 person on-the-ground Special Loss Mitigation staff
- **Help Evacuees**
 - 1,400 evacuee families housed rent-free for 18 months in our SF REO; 200 multifamily apartments used for short-term rental in Dallas and Houston
 - 60 families purchased REO with \$15,000 credit from Fannie Mae on purchase price
 - Counseling and job training supported with nonprofits in Houston, Dallas, San Antonio, Memphis, Atlanta
- **Aid Rebuilding**
 - \$17 billion in mortgage purchases since Sept 2005 support SF mortgage market
 - \$2.6 billion in additional focused financing available in GO Zone
 - \$250 MM in multifamily closed deals for over 5,700 units of workforce housing
 - \$300 million in LIHTC closed funds and transactions for over 2,000 units
 - \$480 million in for-sale & MF equity funds / deals (\$35 million in deliveries)
 - \$60 million in closed deposits / lending with CDFIs, agencies, nonprofits (\$22 million delivered)
 - \$6 million in grants to over 100 organizations
 - 6 neighborhoods in New Orleans, Biloxi, Pascagoula, Alabama supported as models for redevelopment
- **Leverage Employees**
 - 225 employees volunteered for one week each along gulf coast, including 9 straight weeks in fall 2006 in New Orleans
 - 1,000 employees built 6 playgrounds with Kaboom! at 2007 HCD/Sales and Marketing Conference

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HCD: Top Three Objectives

- Enhance Risk Management and Controls/Infrastructure
 - Audit and OFHEO remediation
 - Complete Catch Up Work and Get Current
 - New Business Architecture
- Deliver Mission More Efficiently
 - Redesign Community Business Centers' strategy and operations
- Grow HCD Businesses and Produce Strong Book and Earnings Growth by 2010
 - Target business growth in Small MF Financing and For Sale/For Rent Equity
 - Implement product and process improvements in Multifamily
 - Develop LIHTC sales capability

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Five Year Income Projections

SM	Housing and Community Development					06-10	07-10
	2006	2007	2008	2009	2010	CAGR	CAGR
Net interest income	\$ 118	\$ 126	\$ 136	\$ 152	\$ 170	9.5%	10.5%
Guaranty fees	202	178	165	150	140	-8.7%	-7.7%
Fee and other income	(310)	(408)	(353)	(192)	(80)	-28.8%	-41.9%
Revenue	\$ 10	\$ (104)	\$ (52)	\$ 110	\$ 230	118.0%	-230.2%
Administrative expenses	(539)	(504)	(401)	(369)	(369)	-9.1%	-9.9%
Credit expenses	22	(53)	(58)	(71)	(79)		13.8%
Taxes	1,176	1,352	1,444	1,452	1,432	5.0%	1.9%
Net Income, less MTM	\$ 669	\$ 690	\$ 932	\$ 1,122	\$ 1,214	16.1%	20.7%

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Capital Markets

Peter Niculescu

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Business Principles and Top Five Objectives

Business Principles

- Liquidity: bring new capital to the mortgage market
- React to the market, providing stability while promoting market discipline
- Further our Affordable Housing mission

2007 Objectives

- Achieve total fair value return pre-administrative expenses, adjusted for changes in spreads, on the Portfolio of LIBOR + 400 bps
- Implement active trading strategies to increase the portfolio total return, and develop metrics to capture incremental contribution of active trading to portfolio total returns and risk
- Develop capabilities to value, purchase, and manage mortgage securities below a rating of AAA but rated above B
- Execute one RTF deal per quarter subject to OFHEO approval, and expand the RTF capability to increase execution options
- Enhance Risk Management and Controls/Infrastructure. Continue remediation of deficiencies, and complete Catch-up and Get Current

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Tour of the Balance Sheet

MBS	Underlying Loan/Coupon Type	UPB as of 12/31/08
	Single Family 30yr Fixed Rate	99.6
	30yr Whole Pool	42.5
	15yr Fixed Rate	31.5
	15yr Whole Pool	9.3
	Other	8.1
	Other Whole Pool	4.6
	ARM	31.2
	ARM Whole Pool	11.7
	Multifamily	7.6
	Total MBS	246.1
Agency REMICs	Underlying Loan Type	
	PAC/TAC/SCH	66.7
	Sequentials	9.5
	PT	3.6
	Floaters	3.6
	Other	1.3
	Total REMICs	84.7
Private Label Securities	Security Type	
	CMBS	9.7
	Subprime (Home Equity)	46.6
	Alt A	33.7
	Manufactured	4.6
	Other	2.5
	Total PLS	97.1
Mortgage Revenue Bonds	Underlying Loan Type	
	Multifamily	7.0
	Single Family	6.3
	Taxable	4.0
	Total MRBs	17.3
Whole Loan Portfolio	Loan/Coupon Type	
	Single Family 30yr Fixed	111.0
	15yr Fixed	41.5
	ARM	29.5
	Reverse	16.0
	EA/TPR/Other	32.4
	Multifamily	48.6
	Total Whole Loans	279.0
Total		724.2

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Market Inefficiency in MBS Pricing

- Our major holdings on our balance sheet are those mortgages that are not best served by the security markets, those mortgages whose full value is not recognized by the security markets.

Product	Balance (in Billions)	Loan Size	WALA
30 year MBS & Loans	\$276	171,734	64
15 year MBS & Loans	\$92	141,077	47

Mortgages with special characteristics or from small originators are priced by the market at a discount to theoretical value. We can finance those mortgages and the institutions that originate them because we can hold them for long enough to realize their theoretical value. The securitization markets don't serve them perfectly.

Seasoned Payups – Percentage of Theoretical Value

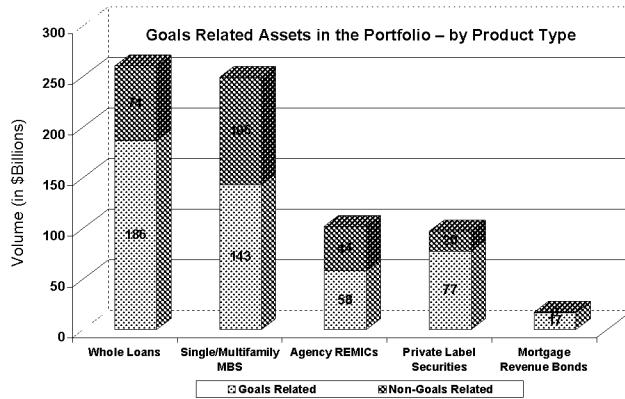
Coupon	Vintage	Loan Size	WALA	Payup %
5.00	2005	203,000	20	23.10%
5.00	2004	189,000	33	34.20%
5.00	2003	176,000	44	31.40%
5.50	2005	173,000	20	25.00%
5.50	2004	166,000	32	32.40%
5.50	2003	164,000	45	28.60%
6.00	2005	144,000	19	3.80%
6.00	2004	147,000	32	22.20%
6.00	2003	144,000	45	22.20%

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Affordable Housing Mission

Approximately 65% of the families served by mortgages held in Fannie Mae's portfolio are low- and moderate-income families, families who live in underserved areas, or families who would meet the special affordable housing criteria in the housing goals regulation.



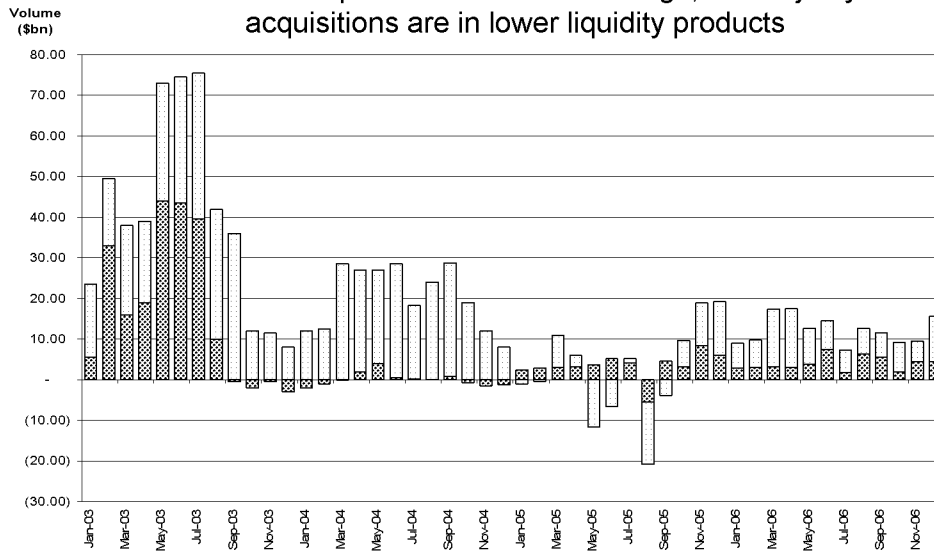
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•% ARM for Market: 28.6% (2006) 32.4% (2005)

Providing Liquidity and Stabilizing the Market

When Fannie Mae purchase volumes are high, the majority of the acquisitions are in lower liquidity products



"Less liquid" includes whole loans, MRBs, PLS, MRBs and non TBA MBS

Legend: TBA (cross-hatched), Less Liquid (white)

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Five Year Income Projections

SM	Capital Markets					06-10	07-10
	2006	2007	2008	2009	2010	CAGR	CAGR
Net interest income	\$ 5,488	\$ 3,738	\$ 3,188	\$ 2,798	\$ 3,061	-13.6%	-6.4%
Guaranty fees	2	-	-	-	-		
Fee and other income	26	261	264	249	253	77.1%	-1.0%
Revenue	\$ 5,516	\$ 3,998	\$ 3,452	\$ 3,048	\$ 3,314	-12.0%	-6.1%
Administrative expenses	(1,146)	(1,021)	(785)	(654)	(654)	-13.1%	-13.8%
Debt Extinguishment	181	-	-	-	-		
Taxes	(1,268)	(791)	(721)	(650)	(768)	-11.8%	-1.0%
Net Income, pre MTM & Time Decay	\$ 3,284	\$ 2,186	\$ 1,946	\$ 1,743	\$ 1,891	-12.9%	-4.7%
Gain/(Loss) on derivative MTM	(858)	(513)	(439)	(324)	(344)	-20.4%	-12.5%
Net Income, less MTM	\$ 2,426	\$ 1,673	\$ 1,507	\$ 1,419	\$ 1,548	-10.6%	-2.6%

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Appendix

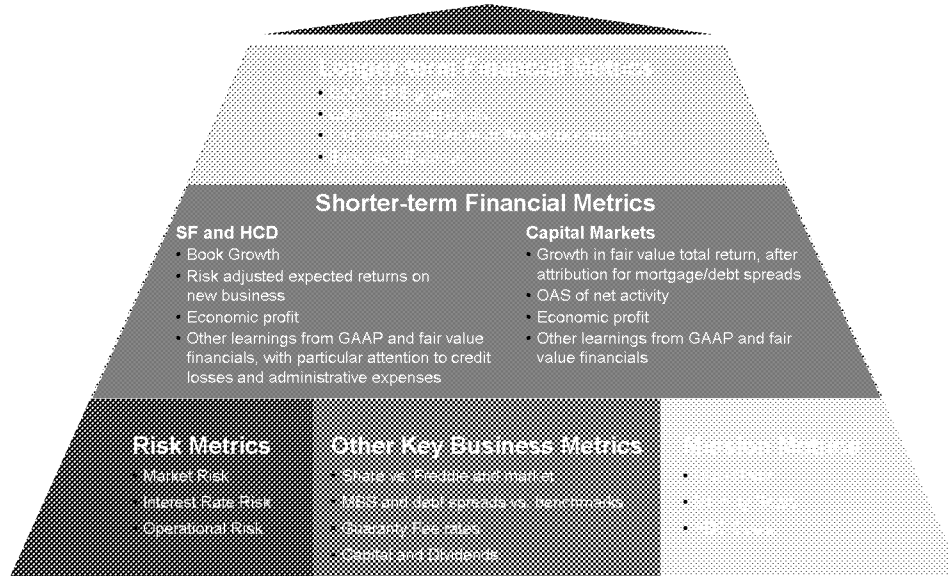
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Metrics – The Full Picture

Total Return to Shareholders



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Corporate Long-term Metrics

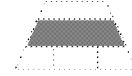


	<u>Avg. Annual 2002-2005</u>	<u>2006 Actual</u>	<u>2007 YTD</u>	<u>60 Mo. Rolling Avg.</u>	<u>Long-term Goal</u>
EPS Growth (%)	xx	xx	xx	xx	xx
GAAP ROE (%)	xx	xx	xx	xx	xx
Total Fair Value Return (\$)	xx	xx	xx	xx	xx
Total Fair Value Returns (%)	xx	xx	xx	xx	xx
Expense Efficiency (%)	xx	xx	xx	xx	xx
Total Shareholder Returns (%)	xx	xx	xx	xx	xx

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Corporate Short-term Metrics



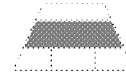
	Quarter				Year			
	Current	Prior	Plan	Variance	Current	Prior	Plan	Variance
	GAAP NI							
Net interest income	XX	XX	XX	XX	XX	XX	XX	XX
Guaranty fee income	XX	XX	XX	XX	XX	XX	XX	XX
Investment gains (losses), net	XX	XX	XX	XX	XX	XX	XX	XX
Derivatives fair value gains (losses), net	XX	XX	XX	XX	XX	XX	XX	XX
Debt extinguishment gains (losses), net	XX	XX	XX	XX	XX	XX	XX	XX
Fee and other income	XX	XX	XX	XX	XX	XX	XX	XX
Total Revenue	XX	XX	XX	XX	XX	XX	XX	XX
Provision for loan losses	XX	XX	XX	XX	XX	XX	XX	XX
Foreclosed property expense	XX	XX	XX	XX	XX	XX	XX	XX
Administrative expenses	XX	XX	XX	XX	XX	XX	XX	XX
Other expenses	XX	XX	XX	XX	XX	XX	XX	XX
Total Expenses	XX	XX	XX	XX	XX	XX	XX	XX
Income before taxes	XX	XX	XX	XX	XX	XX	XX	XX
Provision for federal income tax	XX	XX	XX	XX	XX	XX	XX	XX
Net Income	XX	XX	XX	XX	XX	XX	XX	XX
Economic Profit								
Derivatives MTM (excl. accruals)	XX	XX	XX	XX	XX	XX	XX	XX
FAS 91 Retroactive Catch-Up	XX	XX	XX	XX	XX	XX	XX	XX
Actual Credit Losses	XX	XX	XX	XX	XX	XX	XX	XX
Other Capital Markets adjustments ¹	XX	XX	XX	XX	XX	XX	XX	XX
Economic Earnings²	XX	XX	XX	XX	XX	XX	XX	XX
Required Earnings³	XX	XX	XX	XX	XX	XX	XX	XX
Economic Profit³	XX	XX	XX	XX	XX	XX	XX	XX
Economic Earnings ROE⁴	XX	XX	XX	XX	XX	XX	XX	XX

1. Other Capital Markets adjustments include removing the mark to market on MBS (trading securities) and loans (LOCOM). 2. Economic Earnings is defined as GAAP NI adjusted for derivatives MTM (excluding accruals and tax adjusted), FAS 91 Catch-up, loss provisions, MBS MTM (trading securities), and MTM on loans in the portfolio. All adjustments must be on an after-tax basis. 3. For tracking purposes only. 4. Economic Earnings ROE is defined Economic Earnings over economic capital

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Single Family Short-term Metrics

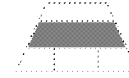


	Quarter				Year			
	Current	Prior	Plan	Variance	Current	Prior	Plan	Variance
Existing Book								
Book	XX	XX	XX	XX	XX	XX	XX	XX
Book Growth %	XX	XX	XX	XX	XX	XX	XX	XX
Share vs. FRE	XX	XX	XX	XX	XX	XX	XX	XX
Share vs. Market	XX	XX	XX	XX	XX	XX	XX	XX
Effective G-fee	XX	XX	XX	XX	XX	XX	XX	XX
New Business								
Guarantee Fee – new volume	XX	XX	XX	XX	XX	XX	XX	XX
Economic Profit – new volume	XX	XX	XX	XX	XX	XX	XX	XX
GAAP NI								
Credit Losses	XX	XX	XX	XX	XX	XX	XX	XX
Admin. Expense	XX	XX	XX	XX	XX	XX	XX	XX
Net Income	XX	XX	XX	XX	XX	XX	XX	XX
Economic Profit								
Actual Losses	XX	XX	XX	XX	XX	XX	XX	XX
FAS 91 Catch-up/impairment	XX	XX	XX	XX	XX	XX	XX	XX
Economic Earnings ¹	XX	XX	XX	XX	XX	XX	XX	XX
Economic Profit ²	XX	XX	XX	XX	XX	XX	XX	XX
Economic Earnings ROE ³	XX	XX	XX	XX	XX	XX	XX	XX

1. SF Economic Earnings is defined as GAAP NI adjusted for FAS 91 Catch-up and loss provisions. All adjustments must be on an after-tax basis. 2. For tracking purposes only. 3. Economic Earnings ROE is defined Economic Earnings over economic capital

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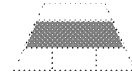
HCD Short-term Metrics



	Quarter				Year			
	Current	Prior	Plan	Variance	Current	Prior	Plan	Variance
Existing Book								
Book	XX	XX	XX	XX	XX	XX	XX	XX
Book Growth %	XX	XX	XX	XX	XX	XX	XX	XX
Debt Book								
Debt Book Growth %	XX	XX	XX	XX	XX	XX	XX	XX
Equity Book								
Equity Book Growth %	XX	XX	XX	XX	XX	XX	XX	XX
New Business								
Guarantee Fee – new volume	XX	XX	XX	XX	XX	XX	XX	XX
GAAP NI								
Credit Losses								
Admin Expense	XX	XX	XX	XX	XX	XX	XX	XX
Net Income	XX	XX	XX	XX	XX	XX	XX	XX
Economic Profit								
Actual Losses								
FAS91 Catch-up/Impairment	XX	XX	XX	XX	XX	XX	XX	XX
Economic Earnings ¹	XX	XX	XX	XX	XX	XX	XX	XX
Economic Profit ²	XX	XX	XX	XX	XX	XX	XX	XX
Economic Earnings ROE ³	XX	XX	XX	XX	XX	XX	XX	XX
Equity Investments Return ⁴	XX	XX	XX	XX	XX	XX	XX	XX

1. HCD Economic Earnings is defined as GAAP NI adjusted for FAS 91 Catch-up and loss provisions. All adjustments must be on an after-tax basis. 2. For tracking purposes only. 3. Economic Earnings ROE is defined Economic Earnings over economic capital. 4. Equity Investments returns is defined as equity investments economic earnings divided by equity investments economic capital

Capital Markets Short-term Metrics



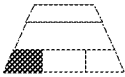
Portfolio	Quarter				Year			
	Current	Prior	Plan	Variance	Current	Prior	Plan	Variance
	Total Return	XX	XX	XX	XX	XX	XX	XX
Total Return, ex. spreads	XX	XX	XX	XX	XX	XX	XX	XX
CAS net purchases/sales	XX	XX	XX	XX	XX	XX	XX	XX
Portfolio Size	XX	XX	XX	XX	XX	XX	XX	XX
MBS Spread vs. 10YR UST	XX	XX	XX	XX	XX	XX	XX	XX
Debt Spread vs. 10YR UST	XX	XX	XX	XX	XX	XX	XX	XX
GAAP NI								
Admin Expenses	XX	XX	XX	XX	XX	XX	XX	XX
Net Income	XX	XX	XX	XX	XX	XX	XX	XX
Economic Profit								
Derivatives MTM	XX	XX	XX	XX	XX	XX	XX	XX
FAS91 Catch-up	XX	XX	XX	XX	XX	XX	XX	XX
Other Capital Markets Adj ¹	XX	XX	XX	XX	XX	XX	XX	XX
Economic Earnings ²	XX	XX	XX	XX	XX	XX	XX	XX
Economic Profit	XX	XX	XX	XX	XX	XX	XX	XX

1. Other Capital Markets adjustments include removing the mark to market on MBS (trading securities) and loans (LOCOM). 2. CM Economic Earnings is defined as GAAP NI adjusted for derivatives MTM (excluding accruals), FAS 91 Catch-up, MBS MTM (trading securities), and MTM on loans in the portfolio. All adjustments must be on an after-tax basis. 3. For tracking purposes only

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Risk Metrics



	Quarter				Year			
	Current	Prior	Plan	Variance	Current	Prior	Plan	Variance
Market Risk								
Duration Gap	xx	xx	xx	xx	xx	xx	xx	xx
Convexity Gap	xx	xx	xx	xx	xx	xx	xx	xx
Vega	xx	xx	xx	xx	xx	xx	xx	xx
50 bps change in value	xx	xx	xx	xx	xx	xx	xx	xx
Credit Risk								
Serious Delinquency Rate SF	xx	xx	xx	xx	xx	xx	xx	xx
Serious Delinquency Rate MF	xx	xx	xx	xx	xx	xx	xx	xx
Charge-off rate SF	xx	xx	xx	xx	xx	xx	xx	xx
Charge-off rate MF	xx	xx	xx	xx	xx	xx	xx	xx
Operational Risk								
ITex	xx	xx	xx	xx	xx	xx	xx	xx

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Capital Metrics



	Quarter				Year			
	Current	Prior	Plan	Variance	Current	Prior	Plan	Variance
Capital								
Required Minimum Capital	XX	XX	XX	XX	XX	XX	XX	XX
Book Capital	XX	XX	XX	XX	XX	XX	XX	XX
Excess Capital	XX	XX	XX	XX	XX	XX	XX	XX
Economic Capital	XX	XX	XX	XX	XX	XX	XX	XX
Dividends								
Dividends Paid	XX	XX	XX	XX	XX	XX	XX	XX
Share Repurchases	XX	XX	XX	XX	XX	XX	XX	XX
Dividend Yield	XX	XX	XX	XX	XX	XX	XX	XX

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Mission Metrics



	Year			
	Current	Prior	Plan	Variance
HUD Goals				
Low-Mod	XX	XX	XX	XX
Special Affordable	XX	XX	XX	XX
Underserved	XX	XX	XX	XX
Purchased Money Goals				
Low-Mod				
Special Affordable	XX	XX	XX	XX
Underserved	XX	XX	XX	XX
Minority Goals				
Total Minority	XX	XX	XX	XX
Hispanic	XX	XX	XX	XX
African American	XX	XX	XX	XX
Asian				
Goal Cost				
Goal Cost	XX	XX	XX	XX

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