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September 21, 2010

BY ELECTRONIC MAIL

Mr. Gary Cohen
Financial Crisis Inquiry Commission
1717 Pennsylvania Avenue, N.W.
Suite 800
Washington, DC 20006-4614

Re: Responses to Requests for Data

Dear Gary:

On behalf of Fannie Mae, I have enclosed data responsive to your September 14, 2010 Interrogatories to Alfred Pollard and your September 15, 2010 email to me. Set forth below is an explanation of the information we are submitting.

September 14, 2010 interrogatories to FHFA

As we have previously discussed, Fannie Mae has committed to provide you with the total number of loans and dollar amount of recoveries for repurchases completed to date for single family loans, both in the aggregate and for Fannie Mae's top ten lenders (by unpaid principal balance, or "UPB"), by year, for 2007, 2008, and 2009, as well as the latest available data for 2010. Fannie Mae has also committed to provide you with the same information with respect to repurchase requests that are currently outstanding. That information, broken out by calendar year, can be found in the attached chart, which has been numbered FM-FCIC-2_00004757-00004759.

September 15, 2010 email – Requests 1-3

Requests 1-3 of your September 15, 2010 email to me seek information about the total dollar volume of single-family loans that Fannie Mae purchased, the percentage dollar value of those loans that ever had a 90-day delinquency, and the percentage dollar value of those loans that defaulted. Much of the information you have requested can be found in Fannie Mae's publicly available Credit Supplements, each of which is available on Fannie Mae's website at <http://www.fanniemae.com/ir/earnings_reports/index.jhtml;jsessionid=EHUOADOQPBFETJ2FECHSFGA?s=Results&s=Quarterly/Annual+Results>. On February 11, 2010, we produced

the Credit Supplements that existed at that time. Those Credit Supplements contain data covering the period of 2005-2008 and can be found at FM-FCIC_00025866-00025953. We have enclosed duplicate copies for your convenience. We have also enclosed copies of Fannie Mae's Credit Supplements filed for the period covering year-end 2009 to the second quarter of 2010, which is the most recent Credit Supplement that has been filed. Those documents have been numbered FM-FCIC-2_00004700-00004756. The specific relevant figures are set forth below.

1. Dollar Volume (UPB) of Single Family Loan Acquisitions (in billions), by Acquisition Year

2005 – \$524.2
2006 – \$515.8
2007 – \$643.8
2008 – \$557.2

2. Percent of Single Family Loans that Ever Went 90-Day Delinquent, by Origination Year

2005 – 9.97%
2006 – 15.88%
2007 – 18.2%
2008 – 5.94%

Please note that the percentages above are higher than the SDQ rates set forth in Fannie Mae's Credit Supplements because certain loans that became delinquent were later cured.

3. Cumulative Default Rates as of June 30, 2010 by Origination Year

2005 – 2.91%
2006 – 4.78%
2007 – 4.34%
2008 – 0.86%

The percentage is expressed as a percentage of credit losses for the single-family guaranty book of business. For a detailed explanation of these figures, please see Fannie Mae's Credit Supplement for the Second Quarter of 2010, dated August 5, 2010 at pages 7-8 (FM-FCIC-2_00004745-4746) and notes thereto.

September 15, 2010 email – Request 4

Request 4 in your September 15, 2010 email to me seeks information regarding the percentage of single family loans that Fannie Mae purchased that went into foreclosure. This information, broken out by acquisition year, can be found in the chart below.

Aqsn Year	Total Loans Acquired	Ever FCL	%		Total Aqsn UPB (\$B)	Ever FCL	%
2005	3,051,692	183,698	6%		\$ 524.2	\$ 32.3	6%
2006	2,797,011	279,825	10%		\$ 515.8	\$ 55.3	11%
2007	3,294,223	381,302	12%		\$ 643.8	\$ 81.3	13%
2008	2,670,671	98,472	4%		\$ 557.2	\$ 22.0	4%

September 15, 2010 email – Request 5

Request 5 in your September 15, 2010 email to me seeks information regarding the percent of the dollar value of loans that Fannie Mae sampled for violations that may give rise to a repurchase right. This information, broken out by acquisition year, can be found in the enclosed chart, which has been numbered FM-FCIC-2_00004760.

Request 5(a) in your September 15, 2010 email to me seeks information regarding the percentage of the loans that were sampled where a significant finding was made and a repurchase request was issued. This information, broken out by acquisition year, can be found in the enclosed chart, which has been numbered FM-FCIC-2_00004761. Due to limitations with respect to how Fannie Mae maintains its data and given the timeframes provided by the FCIC, the information in the attached chart is the best available information that Fannie Mae can submit at this time.

September 15, 2010 email – Request 6

Request 6 in your September 15, 2010 email to me asks for “the total estimated annual cost of the quality control office direction” for 2009 and 2010. Fannie Mae’s National Underwriting Center (“NUC”), which is located in Dallas, Texas, is responsible for the post-purchase review of loans and ensuring that loans purchased by Fannie Mae do not violate reps and warranties made by sellers. The NUC had actual expenses of \$58.5 million in 2009 and a projected budget of \$124.3 million in 2010. In addition, as we have explained, Fannie Mae has numerous processes and procedures to ensure quality control embedded in each of its business centers throughout the country. The costs associated with these quality control functions as well as efforts undertaken at corporate headquarters in supervising the NUC are not included in these figures.

September 15, 2010 email – Request 7

Request 7 in your September 15, 2010 email to me asks for certain data regarding Fannie Mae's recoveries in connection with repurchase requests. That data, broken out by calendar year, can be found in the enclosed chart, which has been numbered FM-FCIC-2_00004672.

September 15, 2010 email – Request 8

Request 8 in your September 15, 2010 email to be seeks information about Fannie Mae's sampling methodology. Sampling pursuant to methodologies (A) through (E) set forth below all relate to potential violations of reps and warranties.

- A. **PFR (Post-Foreclosure Reviews):** Reviews which take place at the time a property is acquired by Fannie Mae as a Real-Estate Owned (REO) - these properties have already processed through foreclosure. The selection methodology is based around a model which takes into account both the likelihood of a significant finding given review and the amount of loss (expected or realized) for the property.
- B. **PFS (Pre-Foreclosure Reviews):** Reviews which take place at the time a property has a closed Short-Sale transaction. The selection methodology is identical to PFR reviews, with the exception that since these are final transaction, Fannie Mae evaluates using an actual loss.
- C. **SDQ (Seriously Delinquent Loan Reviews):** Reviews based on selections out of a sub-sample of our outstanding seriously delinquent loan population. Fannie Mae filters the SDQ population down to a group which has a near-zero chance of curing and where Fannie Mae is likely to take a loss. Early payment default (less than 18 or 24 payments made before default) loans are given priority in these selections.
- D. **D-PPR (Discretionary Post-Purchase Reviews):** This category is a catch-all review group for targeted non-defaulted loans selected for a variety of reasons: Anti-Predatory Reviews, Fraud Cases, MI Rescissions, Counterparty Risk, Product Performance, Small-lender targeting and self-reported issues by lenders. Selections in this category can be made at anytime over the life of a loan, but generally prior to default. Some of the selection reasons are based on models (Anti-Predatory), others are based on a combination of models and research (Fraud and Small-lender targeting), while others are more ad hoc in nature and are generally selected to gather robust information based on the targeted selection populations.
- E. **R-PPR (Random Post-Purchase Reviews):** This category is used to randomly sample incoming acquisitions in order to make statistical statements about loan quality for recent acquisitions. No loan-level targeting is used, but Fannie Mae does perform lender-sampling for its largest customers.

Mr. Gary Cohen, September 21, 2010 - Page 5

Another category is denominated RV, or Recourse Violations. This category tracks loans that Fannie Mae acquired with some level of recourse that have since violated that recourse. These loans generally do not receive full reviews and typically result in automatic repurchases. An example of a recourse violation would be the loan becoming seriously delinquent within the first 12 months of acquisition.

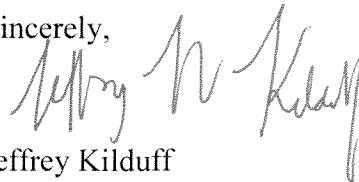
* * *

We wish to stress that the documents and information we have provided with this letter did not previously exist in this form at Fannie Mae. Fannie Mae used various technology and manual resources to generate the data for production in response to your requests. While Fannie Mae believes that the information is reasonably accurate, Fannie Mae cannot make an absolute representation that it is complete or that there were not some inadvertent errors in its preparation, especially given the expedited timeframe within which it was generated and produced. We will provide further updates or corrections if we discover missing information or errors.

The documents and information provided by Fannie Mae to the FCIC contain confidential, proprietary, and/or non-public information regarding the Company. Fannie Mae requests confidential treatment of these materials by the FCIC.

Should you have any questions, please do not hesitate to contact me. I can be available at your convenience to discuss any of this.

Sincerely,



Jeffrey Kilduff
of O'MELVENY & MYERS LLP

cc: Mr. Thomas Stanton (via email)
Ms. Wendy Edelberg (via email)
Mr. Greg Feldberg (via email)
Mr. Christopher Seefer (via email)
Mr. Tom Krebs (via email)
Mr. Tom Borgers (via email)
Ms. Clara Morain (via email)
Mr. Alfred Pollard (via email)
Ms. Charlotte Reid (via email)
Ms. Julie Katzman (via email)
Mr. Jonathan Griffith (via email)
Mr. Evan Stolove (via email)
Mr. Michael Spence (via email)
Mr. Michael Walsh (via email)

encl

NON PUBLIC INFORMATION

Total Aggregate Recovery

Data as at 8/31/2010

Principal Balance in \$ Millions

Corporate Family / Lender									Total Loan Count	Total Sum of UPB
BANK OF AMERICA CORPORATION									15,654	3,130.44
BAC HOME LOANS SERVICING, LP (formerly known as Countrywide Home Loans Servicing LP, primary servicer for loans sold by Countrywide Home Loans Inc.)									10,524	2,223.57
BANK OF AMERICA MANUFACTURED HOUS NG								1	168	4.35
BANK OF AMERICA, N.A.									4,543	834.16
CITIZENS AND SOUTHERN NATL BANK OF FL									1	0.01
EQUICREDIT CORPORATION OF AMERICA									1	0.00
FIRST FRANKLIN FINANCIAL CORPORATION									391	62.34
HOME LOAN SERVICES, INC.									11	2.58
LASALLE BANK MIDWEST									2	0.35
MERRILL LYNCH CREDIT CORPORATION									4	0.66
WILSH RE CREDIT CORPORATION									9	2.40
JPMORGAN CHASE & CO.									8,608	1,719.96
BANK ONE MORTGAGE CORPORATION									1	0.06
BEAR STEARNS MORTGAGE CAPITAL									1	0.09
CHASE HOME FINANCE									1	0.22
CHASE HOME FINANCE, LLC									2,048	370.34
EMC MORTGAGE CORPORATION									239	45.16
JP MORGAN CHASE BANK, NA									4,408	989.02
WASH NGTON MUTUAL BANK									1,880	310.92
WASH NGTON MUTUAL BANK - ALT A									13	1.46
WASH NGTON MUTUAL BANK (DEDICATED CHANNEL)									3	0.22
WASH NGTON MUTUAL MORTGAGE SECURITIES CORP.									14	2.47
WELLS FARGO & COMPANY									8,167	1,505.54
AMERICAN MORTGAGE NETWORK, INC.									60	12.62
CHASE HOME FINANCE, LLC									4	0.85
DUVAL FEDERAL S&L ASSN									1	0.02
NORWEST MORTGAGE, INC.									1	0.15
SOUTHTRUST BANK									1	0.01
SOUTHTRUST MORTGAGE CORPORATION									14	0.57
WACHOVIA BANK FKA CORESTATES BANK NA									1	0.05
WACHOVIA BANK OF AMERICA									1	0.02
WELLS FARGO BANK N.A.									1,592	167.63
WELLS FARGO BANK, N.A.									6,489	1,323.60
NORWEST HOME IMPROVEMENT NC.									3	0.01
CITIGROUP INC									4,818	867.47
CIT BANK NA									1	0.00
CIT BANK, N.A.									216	12.93
CIT MORTGAGE ASSET MANAGEMENT, INC.									364	46.01
CIT MORTGAGE, INC.									4,237	808.53
SUNTRUST BANKS, INC.									3,382	730.57
SUNTRUST MORTGAGE INC.									3,382	730.57
ALLY FINANCIAL INC.									3,457	679.98
ALLY BANK									569	135.32
GMAC MORTGAGE, LLC									2,887	544.54
RESIDENTIAL FUNDING, LLC									1	0.12

NON PUBLIC INFORMATION

Total Aggregate Recovery

Data as at 8/31/2010

Principal Balance in \$ Millions

Corporate Family / Lender										Total Loan Count	Total Sum of UPB
PNC FINANCIAL SERVICES GROUP INC										2,621	556.99
ARCS MORTGAGE INC.										1	0.16
MID AMERICA BANK, FSB										9	1.51
PNC BANK, N.A.										65	15.16
PNC MORTGAGE SERVICES, NC.										2,545	540.16
PNC BANK, NATIONAL ASSOCIATION										1	0.00
IMB MANAGEMENT HOLDINGS GP LLC										3,059	435.33
FDIC, RECEIVER, NDYMAC FEDERAL BANK FSB										2,730	419.05
FINANCIAL FREEDOM ACQUISITION LLC										13	1.37
FINANCIAL FREEDOM SENIOR FUND NG CORPORATION										89	13.70
HOMEFIRST, INC.										2	0.46
ONEWEST BANK, FSB										225	0.74
LEHMAN BROTHERS HOLDINGS, INC.										1,027	222.75
AURORA BANK FSB										1	0.25
AURORA LOAN SERVICES, INC.										34	5.94
LEHMAN BROTHERS HOLDINGS, INC.										992	216.57
FLAGSTAR BANCORP, INC										1,121	219.10
FLAGSTAR BANK, FSB										68	8.12
FLAGSTAR CAPITAL MARKETS CORPORATION										1,053	210.98
HSBC HOLDINGS PLC										998	191.93
HSBC MORTGAGE CORPORATION (USA)										980	189.14
HSBC MORTGAGE SERVICES INC.										18	2.79
Sub Total										52,912	10,260.05
Other Lenders										10,156	1,577.71
Grand Total										63,068	11,837.76

Notes:

1) Data Sources: QAS, RDW, FALCON, SIR

* QAS is an operational system which is subject to change based on data updates from fi

* RDW UPB exclude delinquent interest

* SIR and FALCON are financial information systems. August numbers are not final.

2) Rep and warrant activity is presented in UPB, Unpaid Principal Balance terms.

3) Data for the period January 2007 though August 2010. August 2010 data are estimates.

4) BANK OF AMERICA CORPORATION includes Countrywide loans under the name of BAC HOME LOANS SERVICING, LP.

NON PUBLIC INFORMATION**Outstanding Principal Balance Amounts by Corporate Family and Lender**

Outstanding Repurchases Request as at 8/31/2010

\$ in Millions

Corporate Family / Lender	#	Principal Balance \$
BANK OF AMERICA CORPORATION	17,408	3,860.29
BAC HOME LOANS SERVICING, LP (formerly known as Countrywide Home Loans Servicing LP, primary servicer for loans sold by Countrywide Home Loans Inc.)	12,775	2,834.06
BANK OF AMERICA, FSB	1	0.09
BANK OF AMERICA, N.A.	4,428	984.68
COUNTRYWIDE KB HOME LOANS, A SERIES OF HOME LOAN SERVICES, INC.	1	0.23
	194	39.25
MERRILL LYNCH CREDIT CORPORATION	2	0.52
NEXSTAR FINANCIAL CORPORATION	1	0.12
WILSHIRE CREDIT CORPORATION	6	1.35
WELLS FARGO & COMPANY	3,742	846.61
AMERICAN MORTGAGE NETWORK, INC.	465	114.68
SOUTHTRUST MORTGAGE CORPORATION	2	0.07
WELLS FARGO BANK N A.	17	2.55
WELLS FARGO BANK, N.A.	3,258	729.30
CITIGROUP INC	2,974	650.55
CITIMORTGAGE ASSET MANAGEMENT, INC.	4	0.97
CITIMORTGAGE, INC.	2,969	649.47
PRINCIPAL RESIDENTIAL MORTGAGE CAPITAL	1	0.11
JPMORGAN CHASE & CO.	2,349	507.97
CHASE HOME FINANCE, LLC	104	17.34
EMC MORTGAGE CORPORATION	72	14.80
JP MORGAN CHASE BANK, NA	1,457	328.53
WASHINGTON MUTUAL BANK	707	145.71
WASHINGTON MUTUAL BANK - ALT A	3	0.39
WASHINGTON MUTUAL BANK (DEDICATED CHANN	1	0.06
WASHINGTON MUTUAL MORTGAGE SECURITIES C	5	1.14
AMTRUST FINANCIAL CORPORATION	983	211.53
AMTRUST BANK	983	211.53
SUNTRUST BANKS, INC.	808	168.39
SUNTRUST MORTGAGE INC.	808	168.39
ALLY FINANCIAL INC.	776	159.19
ALLY BANK	109	24.82
GMAC MORTGAGE, LLC	666	134.19
RESIDENTIAL FUNDING, LLC	1	0.19
FLAGSTAR BANCORP, INC	580	123.46
FLAGSTAR BANK, FSB	19	2.95
FLAGSTAR CAPITAL MARKETS CORPORATION	561	120.50
FIRST HORIZON NATIONAL CORPORATION	373	76.56
FIRST TENNESSEE BANK NATIONAL ASSOCIATI	34	7.71
FIRST TENNESSEE BANK, NATIONAL ASSOCIAT	339	68.85
HSBC HOLDINGS PLC	336	71.70
HSBC MORTGAGE CORPORATION (USA)	336	71.70
Top 10 Total	30,332	6,673.40
	88%	90%
ALL Other Lenders	4,011	722.66
Grand Total	34,340	7,398.91

Notes:

1) Data Sources: QAS and RDW

* QAS is an operational system which is subject to change based on data updates from financial systems

* RDW UPB values exclude delinquent interest

2) Outstanding Repurchases are ever-to-date and include Recourse Violations and exclude:

* Repurchase requests for Lender's non compliance for borrower file delivery or incomplete document records (3,860 Requests = \$856M UPB)

* Lehman (2,092 Requests = \$514M UPB)

3) BANK OF AMERICA CORPORATION includes Countrywide loans under the name of BAC HOME LOANS SERVICING, LP

Fannie Mae **2007 Q1-Q3 10-Q Investor Summary**



November 9, 2007

Credit Supplement

Characteristics of Fannie Mae Single-Family Conventional Mortgage Credit Book of Business



September 30, 2007

Single-Family Conventional Mortgage Credit Book of Business

\$2.4 Trillion

Weighted Average FICO

721

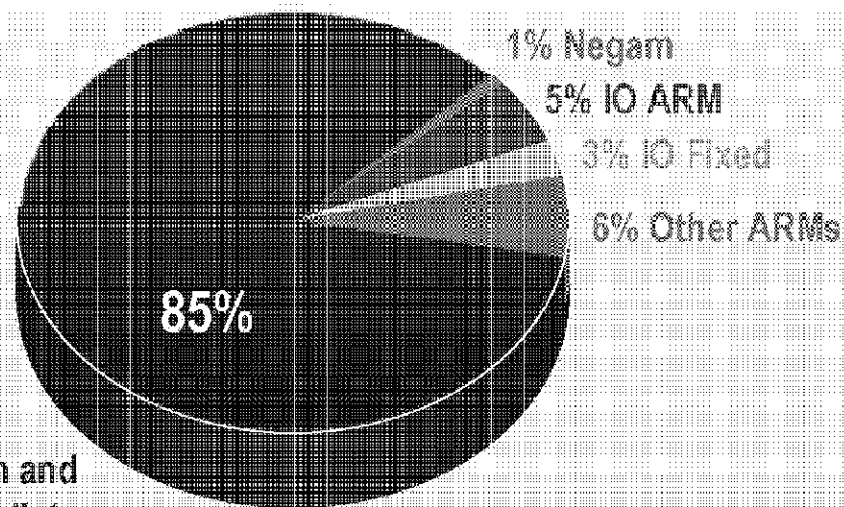
Weighted Average Original LTV

71%

Weighted Average MTM LTV

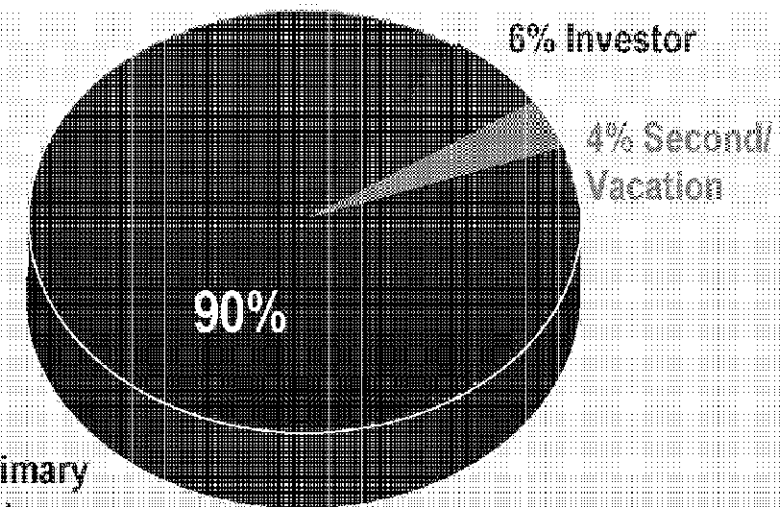
59%

Product Types*



Long Term and Intermediate Term Fixed Rate (excluding IO)

Occupancy*



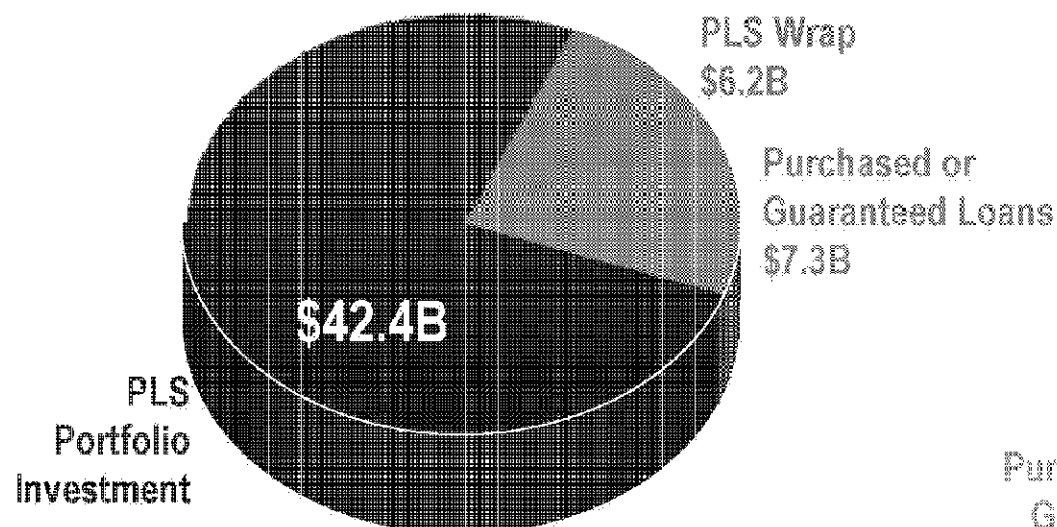
Primary Residence

* Data as of September 30, 2007

Certain data contained in this presentation are based upon information that Fannie Mae receives from third-party sources. Although Fannie Mae generally considers this information reliable, it does not guarantee that it is accurate or suitable for any particular purpose. Fannie Mae has access to detailed loan-level information on approximately 95 percent of our conventional single-family mortgage credit book of business.

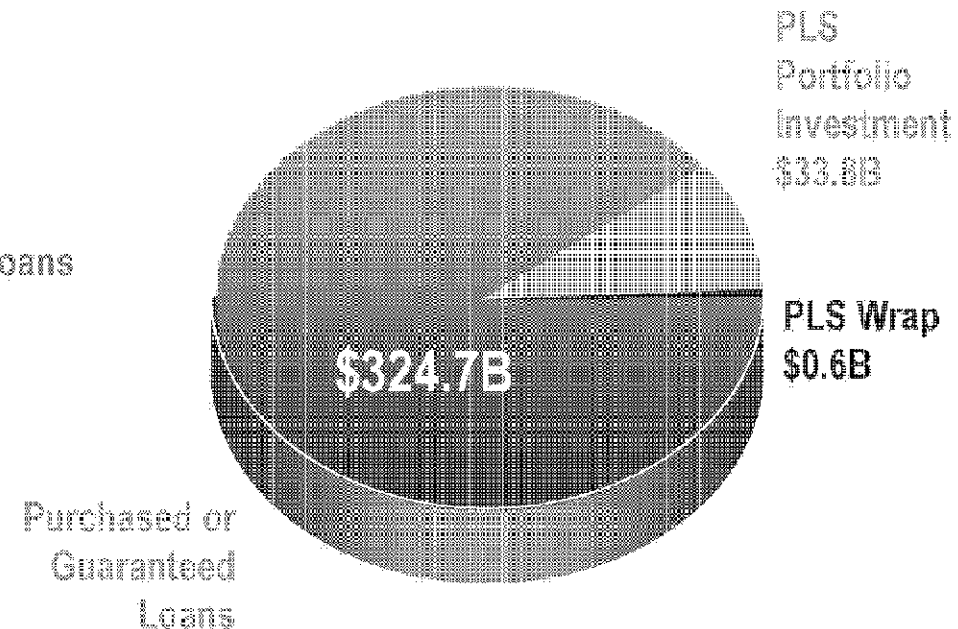
Subprime

Total Exposure of \$55.9 Billion



Alt-A

Total Exposure of \$359.1 Billion



* Data as of September 30, 2007

Credit Characteristics of Single-Family Conventional Mortgage Credit Book of Business

Book Profile	Overall Book	NegAm	Interest Only	FICO<620	OLTV > 90%	FICO<620 AND OLTV >90%	Alt-A Loans	Subprime Loans
Balance (UPB \$billion)	\$2,427.7	\$24.7	\$194.8	\$117.9	\$226.8	\$27.5	\$324.7	\$7.3
Share of SF Conv Credit Book ⁽¹⁾	100.0%	1.0%	8.0%	4.9%	9.3%	1.1%	12.5%	0.3%
Average UPB	\$140,789	\$154,801	\$233,391	\$124,399	\$129,768	\$117,013	\$173,643	\$147,368
SDQ Rate	0.78%	0.86%	1.18%	4.06%	2.41%	7.00%	1.36%	4.78%
Orig Yr 2005-2007	50.3%	61.6%	88.2%	55.7%	61.7%	67.5%	70.4%	79.4%
Wtd Avg OLTV	71.2%	70.7%	75.2%	76.9%	97.4%	98.2%	73.0%	78.7%
% OLTV > 90%	9.3%	0.3%	7.4%	23.3%	100.0%	100.0%	5.4%	8.7%
Wtd Avg MTMLTV	59.0%	61.0%	74.1%	66.1%	85.3%	88.6%	66.2%	73.7%
Wtd Avg FICO	721	693	724	588	688	591	719	622
% FICO < 620	4.9%	12.6%	1.3%	100.0%	12.1%	100.0%	0.8%	47.9%
% Fixed Rate	88.0%	0.1%	38.0%	91.5%	92.9%	96.1%	68.1%	54.1%
% Principal Residence	89.9%	73.0%	84.6%	96.8%	96.9%	99.5%	78.6%	95.9%
% With Credit Enhancement	20.0%	73.3%	36.5%	37.3%	91.7%	94.5%	39.5%	79.2%

Note: Categories are not mutually exclusive, so numbers are not additive across columns

⁽¹⁾ Subprime and Alt-A are calculated as a percentage of the Single-Family Mortgage Credit Book

* Data as of September 30, 2007

Data as of September 30, 2007	Subprime		Alt-A	
	Securities ^{(1) (2)}	Wraps ⁽²⁾	Securities	Wraps
Balance (UPB \$billion)	42.4	6.2	33.8	0.6
Share of Total SF Credit Book	1.6%	0.2%	1.3%	0.0%
% AAA	99%	92%	100%	100%
% AA or below	1%	8%	0%	0%

⁽¹⁾ In October 2007, the credit ratings of nine private-label securities held in our portfolio that are backed by subprime mortgage loans, with an aggregate unpaid principal balance of \$263 million as of September 30, 2007, were downgraded by Standard & Poor's. During October 2007 and through November 8, 2007, seven of our AAA-rated subprime-backed private-label securities, with an aggregate unpaid principal balance of \$1.3 billion, have been put under review for possible credit rating downgrade or on negative watch.

⁽²⁾ Weighted average subordination is 32% for subprime securities and 47% for subprime wraps.

Single-family serious delinquency rates	2007 Q3	2006 Q3
Midwest	1.14%	0.94%
Northeast	0.79%	0.62%
Southeast	0.88%	0.64%
Southwest	0.69%	0.69%
West	0.33%	0.17%

Single-family serious delinquency rates	2007 Q3	2006 Q3
Arizona	0.42%	0.18%
California	0.30%	0.11%
Florida	0.99%	0.37%
Nevada	0.74%	0.25%
Total Portfolio	0.78%	0.61%

* Data as of September 30, 2006 and 2007

REO and HP Statistics for Selected States

State	REO Acquisitions			REO Inventory	Annualized HP Growth as of 2007Q3 (prior 1 yr) (1)	Annualized HP Growth as of 2007Q3 (prior 5 yrs) (1)
	2005	2006	2007 Q1-Q3	As of 9/30/07		
Michigan	3,633	5,691	5,921	6,944	-7.6%	-0.4%
Ohio	3,113	4,041	3,218	2,784	-1.2%	1.8%
Indiana	2,099	2,572	1,896	1,014	1.4%	2.5%
Florida	334	282	1,061	918	-10.3%	11.6%
California	18	93	920	824	-11.1%	10.8%
Massachusetts	81	188	506	397	-3.5%	3.8%
Arizona	146	56	436	342	-5.8%	12.0%
Nevada	27	62	313	266	-9.6%	11.6%
Other	23,103	23,587	20,684	16,135	N/A	N/A
Total	32,554	36,572	34,955	29,624	-2.1%	7.0%

¹ Based on FM Internal HP Index

On a national basis, REO sales price/unpaid principal balance has decreased from 93% in 2005 to 89% in 2006 to 86% in Q1-Q3 2007, driving an increase in loss severity.

* All data as of September 30, 2007

Fannie Mae

2008 Q3 10-Q Credit Supplement



November 10, 2008

- **These materials present tables and other information about Fannie Mae, including information contained in Fannie Mae's Quarterly Report on Form 10-Q for the quarter ended September 30, 2008, or 2008 Q3 Form 10-Q. Some of the terms used in these materials are defined and discussed more fully in the 2008 Q3 Form 10-Q and Fannie Mae's Annual Report on Form 10-K for the year ended December 31, 2007, or 2007 Form 10-K. These materials should be reviewed together with the 2008 Q3 Form 10-Q and the 2007 Form 10-K, copies of which are available on Fannie Mae's Web site at www.fanniemae.com under the "Investor Relations" section of the Web site.**
- **This presentation includes forward-looking statements relating to future home price declines. These statements are based on our opinions, analyses, estimates, forecasts and other views on a variety of economic and other information, and changes in the assumptions and other information underlying these views could produce materially different results. The impact of future home price declines on our business, results or financial condition will depend on many other factors.**

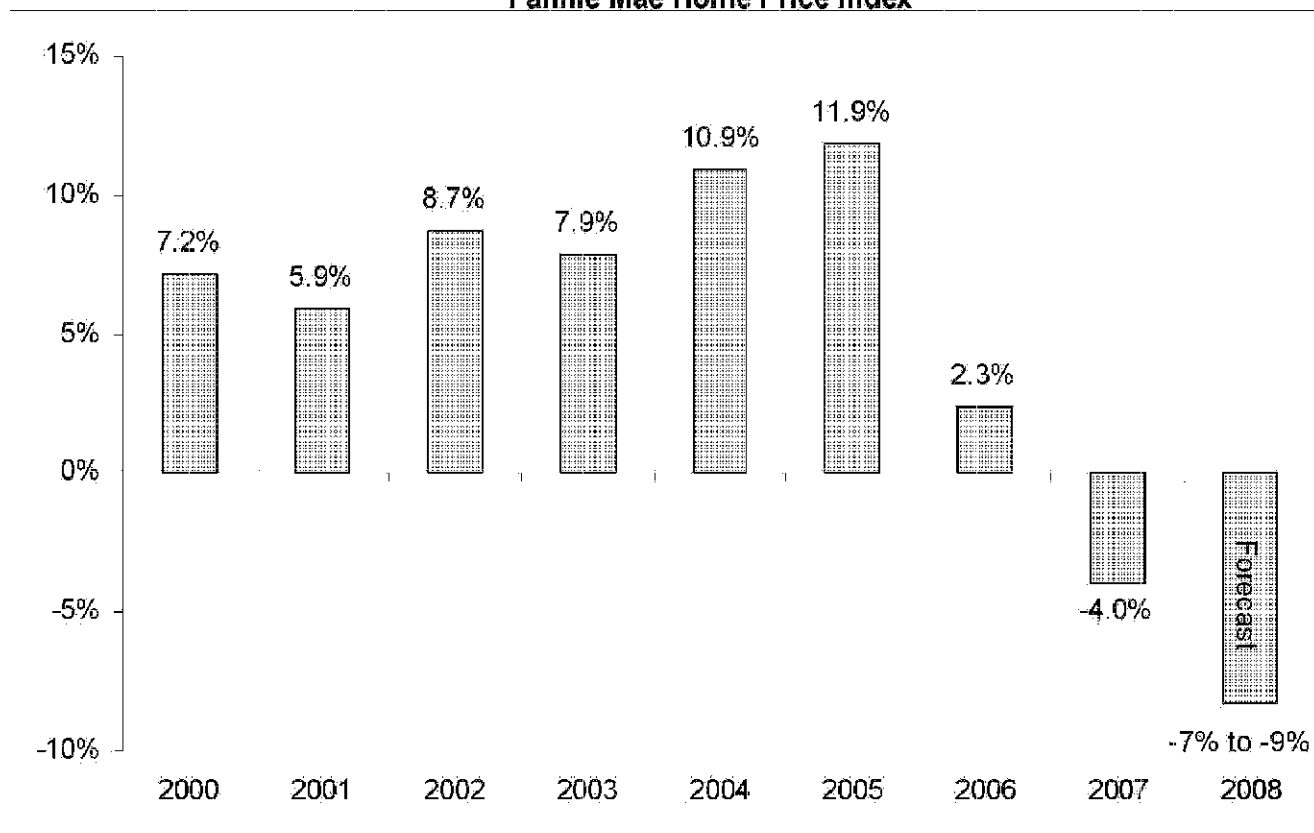
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Home Price Growth Rates in the U.S.

Fannie Mae Home Price Index



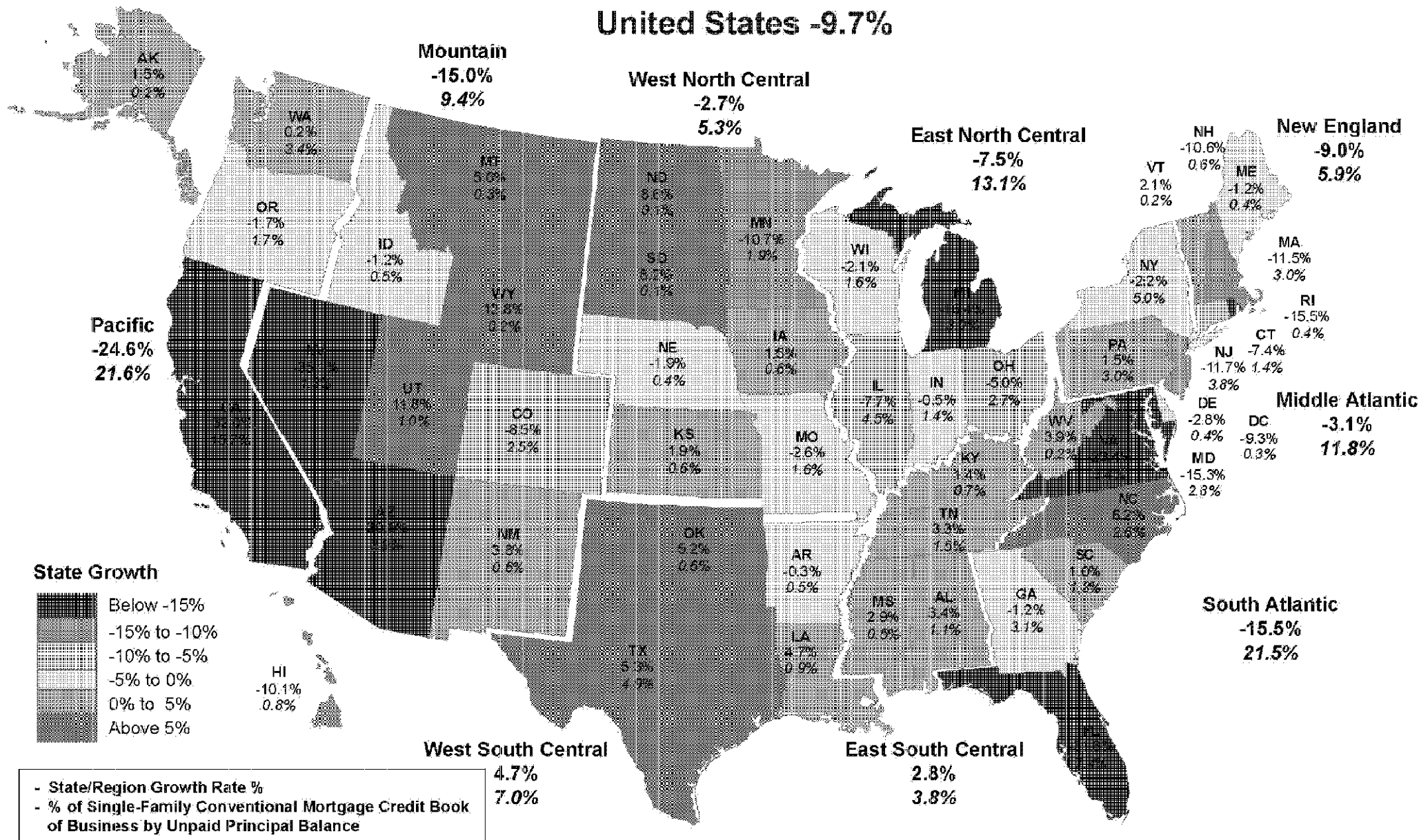
S&P/Case Shiller Index	9.8%	7.7%	10.6%	10.7%	14.6%	14.7%	0.2%	-8.9%
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Growth rates are from period-end to period-end.

- We expect 2008 home price declines to be in the upper end of our estimated 7% to 9% range.
- We expect peak-to-trough declines in home prices to be in the upper end of our estimated 15% to 19% range.

Note: Using the S&P/Case-Shiller weighting method, but excluding the increased impact of foreclosure sales on that index, our 2008 expected home price decline would be 10-13% (vs. 7-9%); our expected peak-to-trough decline would be 20-25% (vs. 15-19%). If we included foreclosed property sales in the index, the S&P/Case-Shiller equivalent to the Fannie Mae Home Price Index would be 12-16% for 2008 and 27-32% peak-to-trough. The S&P/Case-Shiller Index is value-weighted, whereas the Fannie Mae index is unit-weighted; hence the S&P/Case-Shiller index places greater weight on higher cost metropolitan areas. In addition, the S&P/Case Shiller index includes foreclosure sales; foreclosure sales are excluded from the Fannie Mae index and from this forecast. Foreclosure sales tend to depress the S&P/Case Shiller index relative to the Fannie Mae index.

Home Price Growth 2006 Q2 - 2008 Q3 and Percentage of Fannie Mae's Single-Family Conventional Mortgage Credit Book of Business



Source: Fannie Mae. Based on available data as of September 30, 2008. Including subsequent data may produce different results.

Fannie Mae Credit Profile by Key Product Features

Credit Characteristics of Single-Family Conventional Mortgage Credit Book of Business

As of September 30, 2008	Overall Book	Negative-Amortizing Loans	Interest-Only Loans	Loans with FICO < 620	Loans with Original LTV Ratio > 90%	Loans with FICO < 620 and Original LTV Ratio > 90%	Alt-A Loans	Subprime Loans	Jumbo Conforming Loans
Unpaid Principal Balance (billions) *	\$2,701.5	\$18.1	\$215.8	\$125.6	\$279.3	\$28.2	\$298.9	\$8.7	\$8.4
Share of Single-Family Conventional Credit Book ⁽¹⁾	100.0%	0.7%	8.0%	4.7%	10.3%	1.0%	10.4%	0.3%	0.3%
Average Unpaid Principal Balance	\$147,739	\$144,165	\$241,484	\$127,004	\$141,204	\$119,972	\$170,732	\$150,849	\$580,755
Serious Delinquency Rate All Loans	1.72%	3.96%	5.68%	6.74%	4.68%	12.46%	4.92%	10.46%	0.01%
Alt-A ⁽²⁾	11.1%	45.9%	41.2%	1.6%	5.8%	1.2%	100.0%	0.0%	0.0%
Origination Years 2005-2007	48.0%	62.1%	81.7%	56.8%	60.0%	70.0%	72.8%	80.7%	3.5%
Weighted Average Original Loan-to-Value (Original LTV) Ratio	71.8%	71.1%	75.4%	76.8%	97.3%	98.1%	72.7%	77.1%	68.6%
Original Loan-to-Value Ratio > 90	10.3%	0.3%	9.1%	22.4%	100.0%	100.0%	5.4%	6.8%	0.0%
Weighted Average Mark-to-Market Loan-to-Value Ratio	67.8%	80.4%	88.4%	74.1%	95.0%	95.5%	77.2%	83.2%	70.2%
Mark-to-Market Loan-to-Value Ratio > 100	9.1%	36.8%	28.7%	13.1%	35.5%	36.3%	18.3%	18.5%	0.3%
Weighted Average FICO	723	697	725	588	693	592	719	623	761
FICO < 620	4.7%	11.2%	1.3%	100.0%	10.1%	100.0%	0.7%	47.7%	1.0%
Fixed-rate	89.7%	0.1%	39.5%	93.6%	94.1%	96.7%	72.1%	72.6%	91.9%
Principal Residence	89.7%	70.6%	84.9%	96.8%	97.1%	99.4%	77.8%	96.5%	98.3%
Condo/Coop	9.2%	13.4%	16.1%	4.9%	9.8%	5.9%	10.8%	4.6%	9.7%
Credit Enhanced ⁽³⁾	21.0%	76.6%	35.2%	35.6%	92.6%	94.4%	38.7%	63.1%	11.3%
% of 2007 Credit Losses ⁽⁴⁾	100.0%	0.9%	15.0%	18.8%	17.4%	6.4%	27.8%	1.1%	0.0%
% of 2008 Q1 Credit Losses ⁽⁴⁾	100.0%	1.1%	28.9%	13.9%	18.0%	6.2%	41.2%	1.5%	0.0%
% of 2008 Q2 Credit Losses ⁽⁴⁾	100.0%	3.3%	35.5%	11.6%	20.0%	5.4%	48.5%	2.1%	0.0%
% of 2008 Q3 Credit Losses ⁽⁴⁾	100.0%	3.8%	36.2%	11.3%	21.5%	5.4%	47.6%	2.1%	0.0%

⁽¹⁾ Subprime, Alt-A, and Jumbo Conforming Loans are calculated as a percentage of the single-family mortgage credit book of business.

⁽²⁾ Calculated as a percentage of the single-family conventional mortgage credit book of business, which excludes government loans.

⁽³⁾ Unpaid principal balance of all loans with credit enhancement/unpaid principal balance of single-family conventional mortgage credit book of business. Includes primary mortgage insurance, pool insurance, lender recourse and other credit enhancement.

⁽⁴⁾ Expressed as a percentage of total credit losses for the single-family mortgage credit book of business.

Note: Categories are not mutually exclusive; numbers are not additive across columns.

* **Excludes non-Fannie Mae securities held in portfolio and Alt-A and subprime wraps, for which Fannie Mae does not have loan-level information. Fannie Mae has access to detailed loan-level information on approximately 96% of our conventional single-family mortgage credit book of business. Certain data contained in this presentation are based upon information that Fannie Mae receives from third-party sources. Although Fannie Mae generally considers this information reliable, it does not guarantee that it is accurate or suitable for any particular purpose.**

Fannie Mae Credit Profile by Vintage and Key Product Features

Credit Characteristics of Single-Family Conventional Mortgage Credit Book of Business by Vintage

As of September 30, 2008	Overall Book	Vintages				
		2008	2007	2006	2005	2004 and Earlier
Unpaid Principal Balance (billions) *	\$2,701.5	\$354.6	\$552.1	\$383.9	\$360.7	\$1,050.2
Share of Single-Family Conventional Credit Book	100.0%	13.1%	20.4%	14.2%	13.4%	38.9%
Average Unpaid Principal Balance	\$147,739	\$209,094	\$191,810	\$175,610	\$163,996	\$112,612
Serious Delinquency Rate All Loans	1.72%	0.32%	3.01%	3.60%	2.16%	1.04%
Origination Years 2005-2007	48.0%	0.0%	100.0%	100.0%	100.0%	0.0%
Weighted Average Original Loan-to-Value Ratio	71.8%	72.2%	76.2%	73.8%	71.7%	68.8%
Original Loan-to-Value Ratio > 90	10.3%	10.3%	17.7%	10.7%	8.0%	7.1%
Weighted Average Mark-to-Market Loan-to-Value Ratio	67.8%	75.2%	84.2%	81.5%	72.7%	49.8%
Mark-to-Market Loan-to-Value Ratio > 100	9.1%	5.8%	20.2%	18.1%	10.0%	0.8%
Weighted Average FICO	723	738	715	717	723	725
FICO < 620	4.7%	2.6%	6.5%	5.4%	4.2%	4.3%
Fixed-rate	89.7%	91.9%	91.5%	86.7%	83.3%	91.3%
Principal Residence	89.7%	89.3%	88.8%	87.2%	88.1%	91.8%
Condo/Coop	9.2%	10.7%	10.8%	11.0%	10.0%	7.0%
Credit Enhanced ⁽¹⁾	21.0%	22.3%	30.4%	27.7%	20.9%	13.3%
% of 2007 Credit Losses ⁽²⁾	100.0%	0.0%	1.9%	21.3%	23.6%	53.2%
% of 2008 Q1 Credit Losses ⁽²⁾	100.0%	0.0%	14.0%	35.2%	23.3%	27.4%
% of 2008 Q2 Credit Losses ⁽²⁾	100.0%	0.0%	24.7%	35.6%	21.0%	18.7%
% of 2008 Q3 Credit Losses ⁽²⁾	100.0%	0.4%	31.3%	35.2%	18.3%	14.9%
Cumulative Default Rate ⁽³⁾		0.0%	0.6%	1.2%	1.0%	

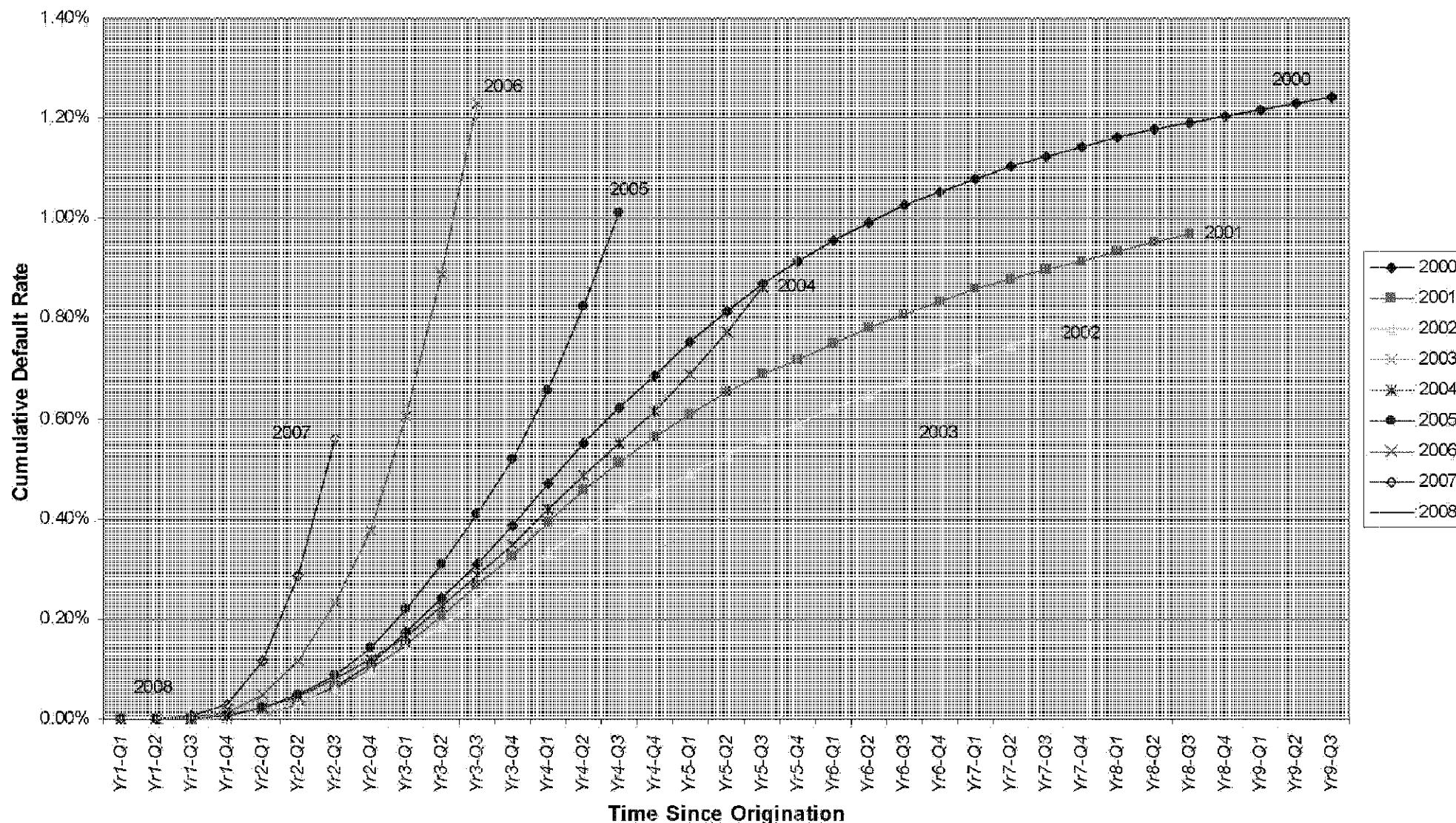
⁽¹⁾ Unpaid principal balance of all loans with credit enhancement/unpaid principal balance of single-family conventional mortgage credit book of business. Includes primary mortgage insurance, pool insurance, lender recourse and other credit enhancement.

⁽²⁾ Expressed as a percentage of total credit losses for the single-family mortgage credit book of business.

⁽³⁾ Default means loan was terminated without full satisfaction. As of September 30, 2008, 2004 vintage cumulative default rate was 0.9% and 2003 vintage cumulative default rate was 0.6%.

* Excludes non-Fannie Mae securities held in portfolio and Alt-A and subprime wraps, for which Fannie Mae does not have loan-level information. Fannie Mae has access to detailed loan-level information on approximately 96% of our conventional single-family mortgage credit book of business. Certain data contained in this presentation are based upon information that Fannie Mae receives from third-party sources. Although Fannie Mae generally considers this information reliable, it does not guarantee that it is accurate or suitable for any particular purpose.

Overall Cumulative Default Rates - Overall Originations from 2000 through 2008 Q3



Note: Cumulative default rates include loans that have been liquidated other than through voluntary pay-off or repurchase by lenders and include loan foreclosures, preforeclosure sales, sales to third parties and deeds in lieu of foreclosure.

Consistent with industry trends, 2006 and 2007 vintages performing poorly. Defaults for the 2008 vintage through 2008 Q2 have been negligible.

Data as of September 30, 2008 is not necessarily indicative of the ultimate performance and are likely to change, perhaps materially, in future periods.

Fannie Mae Credit Profile by State

Credit Characteristics of Single-Family Conventional Mortgage Credit Book of Business by State

As of September 30, 2008	Overall Book	AZ	CA	FL	MI	NV	OH
Unpaid Principal Balance (billions) *	\$2,701.5	\$78.2	\$424.6	\$200.4	\$80.0	\$35.9	\$73.1
Share of Single-Family Conventional Credit Book	100.0%	2.9%	15.7%	7.4%	3.0%	1.3%	2.7%
Average Unpaid Principal Balance	\$147,739	\$160,368	\$199,758	\$145,648	\$117,962	\$180,189	\$106,330
Serious Delinquency Rate All Loans	1.72%	2.14%	1.44%	4.37%	1.86%	3.08%	2.19%
Alt-A	11.1%	14.7%	15.2%	16.3%	7.7%	22.3%	7.1%
Origination Years 2005-2007	48.0%	62.2%	43.3%	60.0%	38.5%	61.2%	41.4%
Weighted Average Original Loan-to-Value Ratio	71.8%	73.7%	62.5%	73.3%	73.8%	74.5%	77.2%
Original Loan-to-Value Ratio > 90	10.3%	10.1%	3.0%	10.9%	10.0%	9.6%	15.6%
Weighted Average Mark-to-Market Loan-to-Value Ratio	67.8%	79.7%	66.5%	80.7%	77.4%	88.9%	70.8%
Mark-to-Market Loan-to-Value Ratio >100	9.1%	24.3%	16.5%	27.9%	13.1%	40.8%	5.9%
Weighted Average FICO	723	724	730	717	720	723	719
FICO < 620	4.7%	3.7%	3.0%	5.4%	5.5%	3.2%	5.8%
Fixed-rate	89.7%	84.5%	83.1%	86.7%	89.5%	76.5%	93.6%
Principal Residence	89.7%	83.5%	88.2%	81.7%	92.8%	80.4%	94.2%
Condo/Coop	9.2%	5.5%	11.9%	15.7%	9.2%	7.8%	4.4%
Credit Enhanced ⁽¹⁾	21.0%	22.7%	12.1%	23.9%	19.7%	27.6%	27.3%
% of 2007 Credit Losses ⁽²⁾	100.0%	1.8%	7.2%	4.7%	26.1%	1.2%	13.1%
% of 2008 Q1 Credit Losses ⁽²⁾	100.0%	3.9%	18.0%	7.2%	22.5%	2.9%	6.2%
% of 2008 Q2 Credit Losses ⁽²⁾	100.0%	6.5%	28.6%	8.1%	13.9%	4.8%	3.9%
% of 2008 Q3 Credit Losses ⁽²⁾	100.0%	8.6%	31.1%	10.2%	10.9%	4.8%	3.1%

⁽¹⁾ Unpaid principal balance of all loans with credit enhancement/unpaid principal balance of single-family conventional mortgage credit book of business. Includes primary mortgage insurance, pool insurance, lender recourse and other credit enhancement.

⁽²⁾ Expressed as a percentage of total credit losses for the single-family mortgage credit book of business.

* Excludes non-Fannie Mae securities held in portfolio and Alt-A and subprime wraps, for which Fannie Mae does not have loan-level information. Fannie Mae has access to detailed loan-level information on approximately 96% of our conventional single-family mortgage credit book of business. Certain data contained in this presentation are based upon information that Fannie Mae receives from third-party sources. Although Fannie Mae generally considers this information reliable, it does not guarantee that it is accurate or suitable for any particular purpose.

Single-Family Serious Delinquency Rates by State and Region

Serious Delinquency Rates by State

State	September 30, 2007	December 31, 2007	March 31, 2008	June 30, 2008	September 30, 2008
Arizona	0.42%	0.75%	1.12%	1.51%	2.14%
California	0.30%	0.50%	0.76%	1.05%	1.44%
Florida	0.99%	1.59%	2.32%	3.21%	4.37%
Michigan	1.22%	1.43%	1.46%	1.57%	1.86%
Nevada	0.74%	1.20%	1.69%	2.25%	3.08%
Ohio	1.60%	1.78%	1.87%	1.95%	2.19%
Total conventional single-family loans	0.78%	0.98%	1.15%	1.36%	1.72%

Serious Delinquency Rates by Region⁽¹⁾

Midwest	1.14%	1.35%	1.44%	1.57%	1.86%
Northeast	0.79%	0.94%	1.05%	1.21%	1.47%
Southeast	0.88%	1.18%	1.44%	1.80%	2.34%
Southwest	0.69%	0.86%	0.94%	1.08%	1.35%
West	0.33%	0.50%	0.72%	0.97%	1.33%
Total conventional single-family loans	0.78%	0.98%	1.15%	1.36%	1.72%

⁽¹⁾ For information on which states are contained within each region, please see the 2008 Q3 Form 10-Q.

Home Price Growth/Decline and Fannie Mae Real Estate Owned (REO) in Key States

Single-Family REO and Home Price Statistics for Selected States ⁽¹⁾

State	REO Acquisitions						REO Inventory as of September 30, 2008	1-Year HP Growth October 2007 to September 2008	5-Year Annualized HP Growth October 2003 to September 2008
	2005	2006	2007	2008 Q1	2008 Q2	2008 Q3			
Arizona	146	56	751	632	1,315	1,887	3,289	-23.9%	4.2%
California	18	93	1,681	1,477	2,918	4,399	7,957	-23.0%	1.8%
Florida	334	282	1,714	966	1,404	1,874	3,785	-22.4%	3.2%
Michigan	3,633	5,691	8,067	3,259	3,035	3,418	11,470	-7.3%	-2.5%
Nevada	27	62	530	403	686	1,005	1,902	-27.3%	2.3%
Ohio	3,113	4,041	4,433	1,239	1,424	1,485	3,876	-3.1%	0.4%
Other	25,289	26,355	31,945	12,132	13,181	15,515	35,240	-3.6%	3.8%
Total	32,560	36,580	49,121	20,108	23,963	29,583	67,519	-8.0%	3.2%

⁽¹⁾ Based on Fannie Mae Home Price Index.

On a national basis, REO net sales prices compared with unpaid principal balances of mortgage loans have decreased as follows, driving increases in loss severities.

- 93% in 2005
- 89% in 2006
- 78% in 2007
- 74% in 2008 Q1
- 74% in 2008 Q2
- 70% in 2008 Q3

Fannie Mae Alt-A Credit Profile by Key Product Features

Credit Characteristics of Single-Family Mortgage Credit Book of Business by Vintage

As of September 30, 2008	Alt-A ⁽¹⁾	Vintages				
		2008	2007	2006	2005	2004 and Earlier
Unpaid principal balance (billions) *	\$298.9	\$6.6	\$76.9	\$84.5	\$56.3	\$74.6
Share of Alt-A	100.0%	2.2%	25.7%	28.3%	18.8%	25.0%
Weighted Average Original Loan-to-Value Ratio	72.7%	66.3%	74.8%	73.9%	72.5%	69.7%
Original Loan-to-Value Ratio > 90	5.4%	2.3%	9.0%	4.9%	3.2%	4.2%
Weighted Average Mark-to-Market Loan-to-Value Ratio	77.2%	70.5%	87.6%	87.0%	79.3%	54.3%
Mark-to-Market Loan-to-Value Ratio > 100	18.3%	4.6%	25.9%	26.6%	18.6%	2.2%
Weighted Average FICO	719	728	714	715	725	723
FICO < 620	0.7%	0.3%	0.5%	0.5%	0.4%	1.3%
Adjustable-rate	27.9%	10.6%	22.2%	30.0%	40.6%	23.3%
Interest Only	29.8%	7.6%	38.3%	38.9%	30.3%	12.2%
Investor	17.1%	17.4%	19.3%	16.8%	19.1%	13.5%
Condo/Coop	10.8%	6.6%	10.0%	11.7%	13.0%	9.2%
Geography						
California	21.6%	19.7%	21.8%	19.6%	20.4%	24.6%
Florida	10.9%	8.4%	11.6%	12.6%	12.1%	7.7%
Credit Enhanced ⁽²⁾	38.7%	13.9%	35.9%	53.0%	46.6%	21.7%
2008 Q1 Serious Delinquency Rate All Loans	2.96%	0.00%	2.85%	4.34%	3.23%	1.79%
2008 Q2 Serious Delinquency Rate All Loans	3.79%	0.19%	4.37%	5.60%	3.94%	1.97%
2008 Q3 Serious Delinquency Rate All Loans	4.92%	0.94%	6.29%	7.27%	4.79%	2.30%
% of 2007 Credit Losses ⁽³⁾	27.8%	0.0%	0.7%	9.8%	9.7%	7.7%
% of 2008 Q1 Credit Losses ⁽³⁾	41.2%	0.0%	6.8%	19.0%	11.2%	4.4%
% of 2008 Q2 Credit Losses ⁽³⁾	48.5%	0.0%	12.1%	21.6%	11.0%	3.8%
% of 2008 Q3 Credit Losses ⁽³⁾	47.6%	0.0%	14.0%	20.9%	9.7%	3.1%
Cumulative Default Rate ⁽⁴⁾		0.0%	1.4%	2.5%	2.0%	

⁽¹⁾ "Alt-A mortgage loan" generally refers to a mortgage loan that can be underwritten with reduced or alternative documentation than that required for a full documentation mortgage loan but may also include other alternative product features. As a result, Alt-A mortgage loans generally have a higher risk of default than non-Alt-A mortgage loans. In reporting our Alt-A exposure, we have classified mortgage loans as Alt-A if the lenders that deliver the mortgage loans to us have classified the loans as Alt-A based on documentation or other product features. We have classified private-label mortgage-related securities held in our investment portfolio as Alt-A if the securities were labeled as such when issued.

⁽²⁾ Defined as unpaid principal balance of Alt-A loans with credit enhancement as a percentage of unpaid principal balance of all Alt-A loans. At September 30, 2008, 8.7% of unpaid principal balance of Alt-A loans carried only primary mortgage insurance (no deductible), 26.2% had only pool insurance (which is generally subject to a deductible), 3.2% had primary mortgage insurance and pool insurance, and 0.6% carried other credit enhancement such as lender recourse.

⁽³⁾ Expressed as a percentage of total credit losses for the single-family mortgage credit book of business.

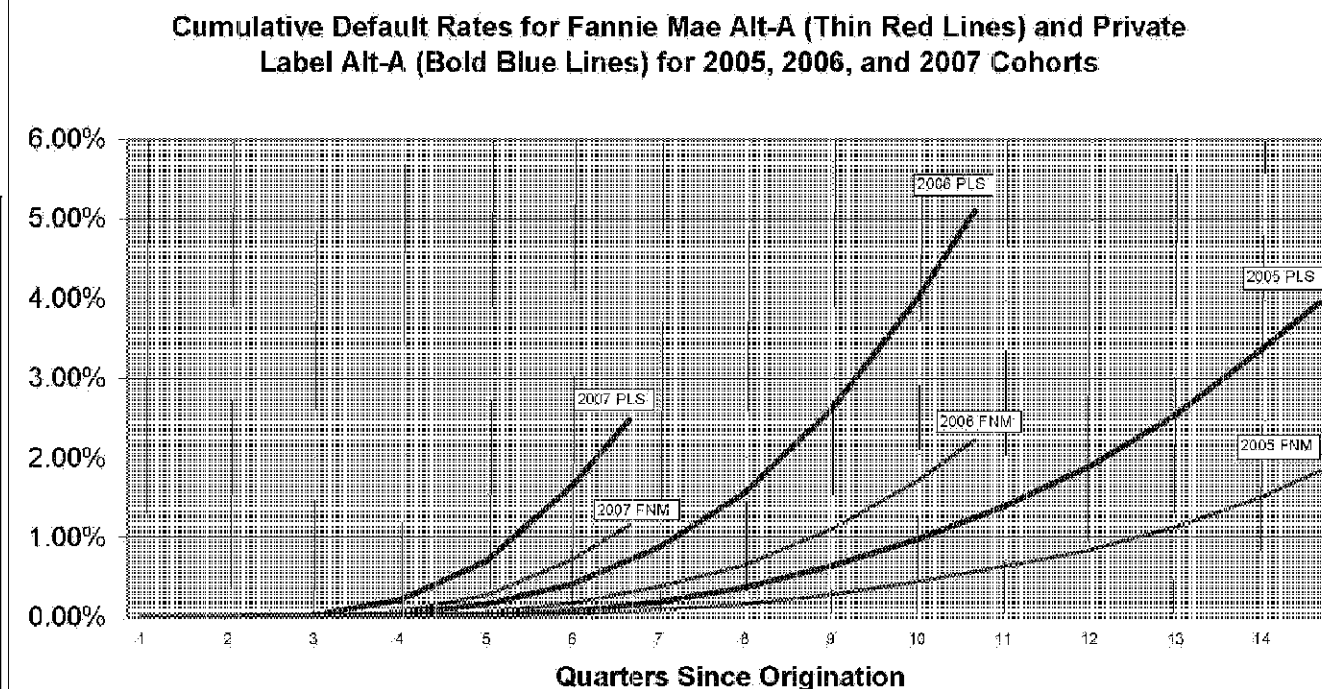
⁽⁴⁾ Cumulative default rate means loan was terminated without full satisfaction.

* Excludes non-Fannie Mae securities held in portfolio and Alt-A and subprime wraps, for which Fannie Mae does not have loan-level information. Fannie Mae has access to detailed loan-level information on approximately 96% of our conventional single-family mortgage credit book of business. Certain data contained in this presentation are based upon information that Fannie Mae receives from third-party sources. Although Fannie Mae generally considers this information reliable, it does not guarantee that it is accurate or suitable for any particular purpose.

Fannie Mae Alt-A Loans Versus Loans Underlying Private-Label Alt-A Securities

Fannie Mae Alt-A Loans Versus Private Label Security		
Conforming Alt-A		
	Fannie Mae	Private-Label Security Market
	As of August 2008	Outstanding loans backing non-agency Conforming Alt-A MBS as of August 2008
Weighted Average Loan Characteristics:		
FICO	719	710
Original Loan-to-Value Ratio	73%	75%
Cumulative Loan-to-Value at Origination ⁽¹⁾	77%	79%
Product Type:		
Fixed Rate	72%	43%
Adjustable Rate	28%	57%
Interest Only	20%	25%
Negatively Amortizing	3%	27%
Investor	17%	22%

⁽¹⁾ Includes first liens and any subordinate liens present at origination



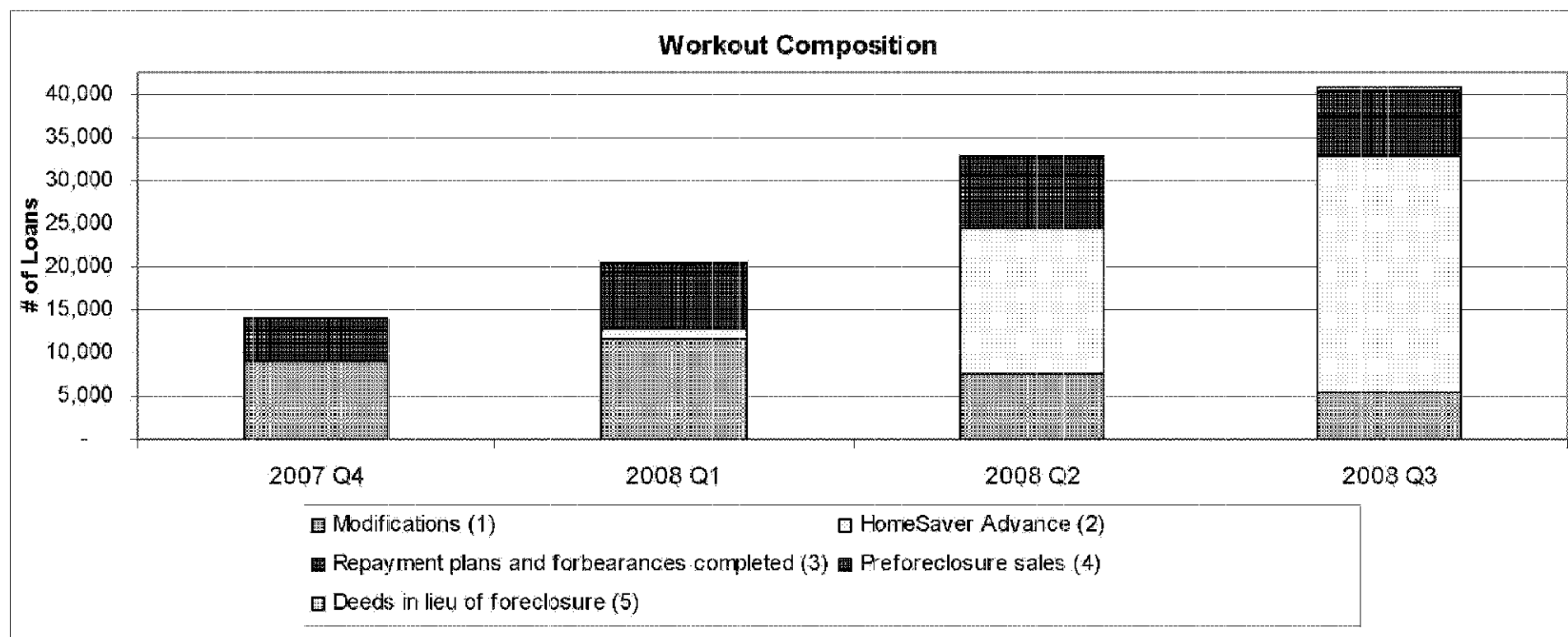
Note: Last data point on each curve is as of August 31, 2008. All other data points are as of quarter end.

Fannie Mae's Alt-A guaranty book of business has more favorable credit characteristics than the loans backing private-label Alt-A securities and is performing better across vintages.

Private-label securities data source are from First American CoreLogic, LoanPerformance data, which estimates it captures 97 percent of Alt-A private-label securities. The private-label securities data include some loans that Fannie Mae holds in its Alt-A securities portfolio. Certain amounts have been calculated by Fannie Mae.

Private label security data source: First American CoreLogic, LoanPerformance data.

Workouts by Type



- (1) Modifications involve adding past due interest amounts to the loan principal amount and recovering them over the remaining life of the loan or through an extension of the term, and other loan adjustments.
- (2) HomeSaver Advance involves providing unsecured, personal loans to help borrowers after a temporary financial difficulty to bring their delinquent mortgage loans current.
- (3) Repayment plans involve plans to repay past due principal and interest over a reasonable period of time through temporarily higher monthly payments. Loans with repayment plans are included for loans that were at least 60 days delinquent; our 2007 Form 10-K reported loans with repayment plans only for loans that were at least 90 days delinquent. Forbearances involve an agreement to suspend or reduce borrower payments for a period of time.
- (4) In a preforeclosure sale, the borrower, working with the servicer, sells the home and pays off all or part of the outstanding loan, accrued interest and other expenses from the sale proceeds.
- (5) Deeds in lieu of foreclosure involve the borrower signing over title to the property without the added expense of a foreclosure proceeding.

Nonperforming Single-Family and Multifamily Assets

	As of		
	September 30, 2008	June 30, 2008 (Dollars in Millions)	December 31, 2007
Loans:			
On-balance sheet Single-Family and Multifamily nonperforming loans	14,261	11,341	10,108
Off-balance sheet Single-Family and Multifamily nonperforming loans ⁽¹⁾	49,387	34,787	25,700
Total nonperforming loans	63,648	46,128	35,808
Properties:			
Carrying value of Single-Family foreclosed properties ⁽²⁾	7,237	5,808	3,440
Carrying value of Multifamily foreclosed properties ⁽²⁾	90	85	43
Total carrying value of foreclosed properties	7,327	5,893	3,483
Total Nonperforming Assets	\$ 70,975	\$ 52,021	\$ 39,291
 Guaranty Book of Business plus Foreclosed Properties	 \$ 2,948,443	 \$ 2,904,100	 \$ 2,747,720
Ratio of Nonperforming Loans to Guaranty Book of Business	2.2%	1.6%	1.3%
Ratio of Nonperforming Assets to Guaranty Book of Business plus Foreclosed Properties	2.4%	1.8%	1.4%

⁽¹⁾ Represents unpaid principal balance of nonperforming loans in our outstanding and unconsolidated Fannie Mae MBS held by third parties.

⁽²⁾ Excludes foreclosed property claims receivables, which are reported in our condensed consolidated balance sheets as a component of "Acquired property, net."

Fannie Mae 2008 Credit Supplement



February 26, 2009

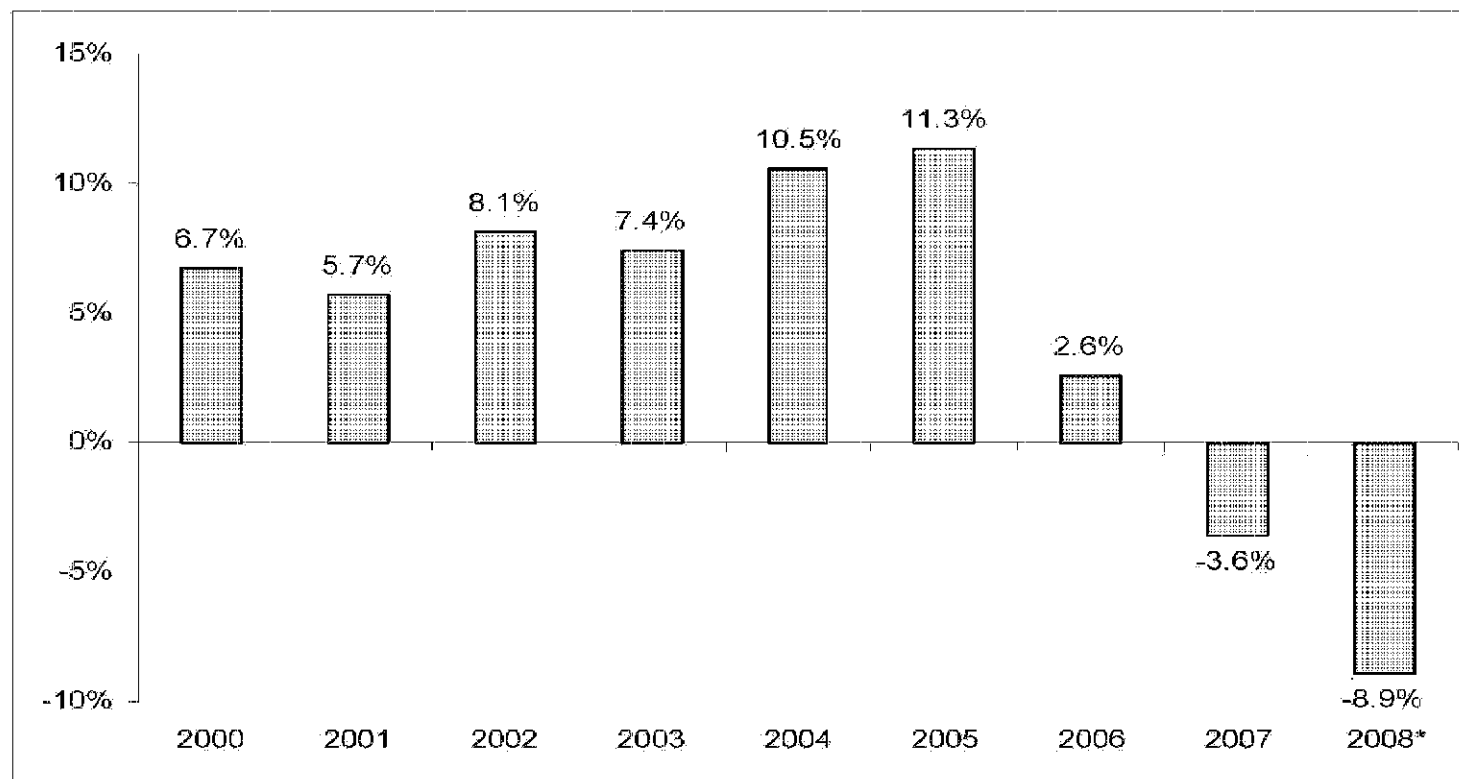
- **These materials present tables and other information about Fannie Mae, including information contained in Fannie Mae's Annual Report on Form 10-K for the year ended December 31, 2008, the "2008 Form 10-K." Some of the terms used in these materials are defined and discussed more fully in the 2008 Form 10-K. These materials should be reviewed together with the 2008 Form 10-K, a copy of which is available on Fannie Mae's Web site at www.fanniemae.com under the "Investor Relations" section of the Web site.**
- **This presentation includes forward-looking statements relating to future home price declines. These statements are based on our opinions, analyses, estimates, forecasts and other views on a variety of economic and other information, and changes in the assumptions and other information underlying these views could produce materially different results. The impact of future home price declines on our business, results or financial condition will depend on many other factors.**

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Home Price Growth/Decline Rates in the U.S.

Fannie Mae Home Price Index



S&P/Case-Shiller Index	9.8%	7.7%	10.6%	10.7%	14.6%	14.7%	-0.3%	-8.7%	-18.2%
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Growth rates are from period-end to period-end.

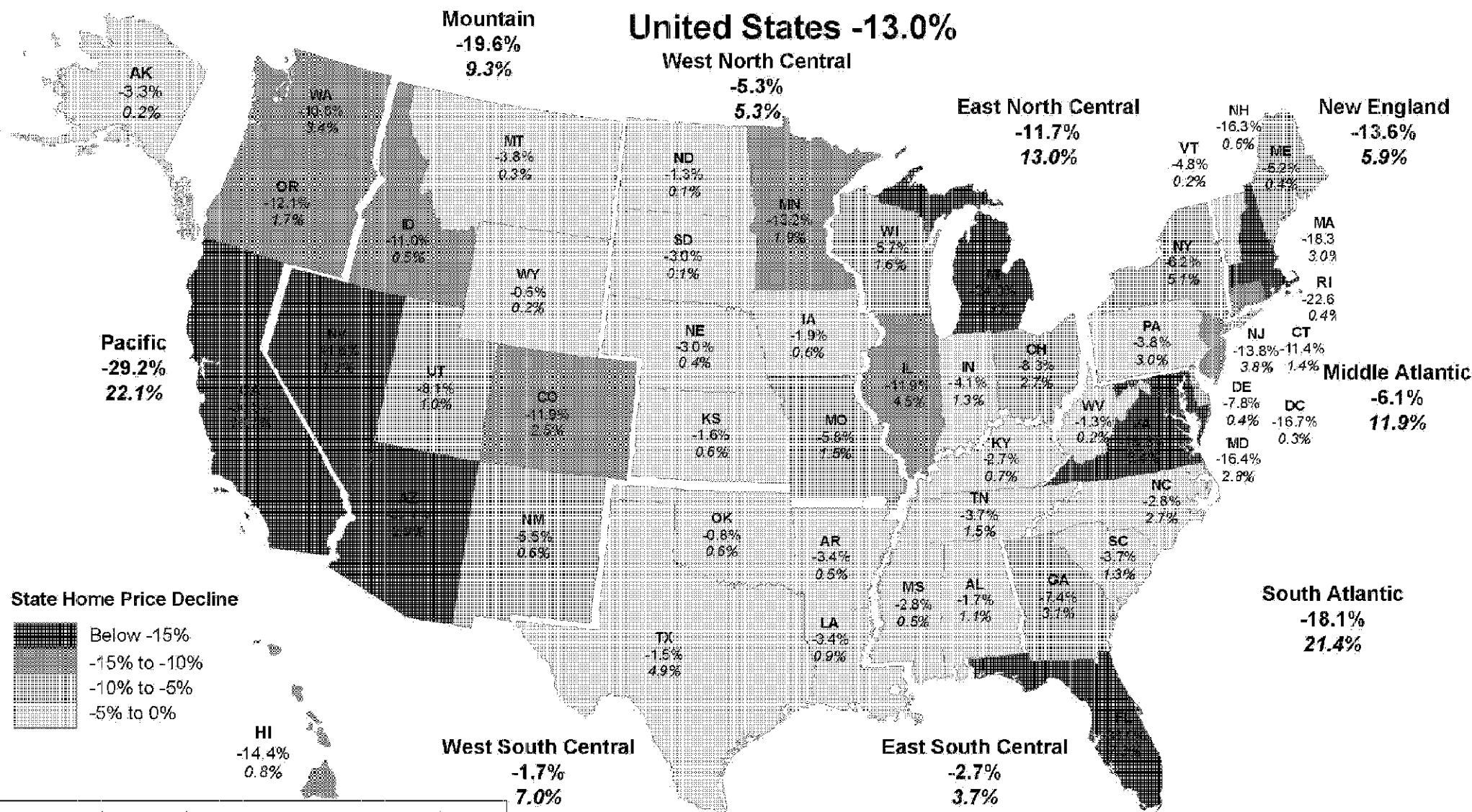
*Initial estimate based on purchase transactions in Fannie-Freddie acquisition and public deed data available through the end of December 2008, supplemented by preliminary data available for January and February 2009. Including subsequent data may lead to materially different results.

- We expect 2009 home price declines to be in the 7% to 12% range, based upon the Fannie Mae Home Price Index. This 7% to 12% range is comparable to a 12% to 18% range using the S&P/Case-Shiller index method.
- We expect peak-to-trough declines in home prices to be in the 20% to 30% range (33% to 46% using the S&P/Case-Shiller index method.)

(Note: Our estimates differ from the S&P/Case-Shiller index in two principal ways: (1) our estimates weight expectations for each individual property by number of properties, whereas the S&P/Case-Shiller index weights expectations of home price declines based on property value, such that declines in home prices on higher priced homes will have a greater effect on the overall result; and (2) our estimates do not include sales of foreclosed homes because we believe that differing maintenance practices and the forced nature of the sales make them less representative of market values, whereas the S&P/Case-Shiller index includes foreclosed property sales. The S&P/Case Shiller comparison numbers shown above are calculated using our models and assumptions, but modified to use these two factors (weighting of expectations based on property value and the inclusion of foreclosed property sales). In addition to these differences, our estimates are based on our own internally available data combined with publicly available data, and are therefore based on data collected nationwide, whereas the S&P/Case-Shiller index is based only on publicly available data, which may be limited in certain geographies. Our comparative calculations to the S&P/Case-Shiller index provided above are not modified to account for this data pool difference.

Home Price Declines Peak-to-Current (by State) as of 2008 Q4

Percentage of Fannie Mae's Single-Family Conventional Mortgage Credit Book of Business



Fannie Mae Credit Profile by Key Product Features

Credit Characteristics of Single-Family Conventional Mortgage Credit Book of Business

As of December 31, 2008	Overall Book	Negative-Amortizing Loans	Interest-Only Loans	Loans with FICO < 620	Loans with FICO ≥ 620 and < 660	Loans with Original LTV Ratio > 90%	Loans with FICO < 620 and Original LTV Ratio > 90%	Alt-A Loans ⁽¹⁾	Subprime Loans ⁽¹⁾	Jumbo Conforming Loans ⁽¹⁾
Unpaid Principal Balance (billions) *	\$2,730.9	\$17.3	\$212.9	\$123.0	\$256.1	\$278.3	\$27.3	\$292.4	\$8.4	\$19.9
Share of Single-Family Conventional Credit Book ⁽¹⁾	100.0%	0.6%	7.8%	4.5%	9.4%	10.2%	1.0%	10.1%	0.3%	0.7%
Average Unpaid Principal Balance	\$148,824	\$142,502	\$241,943	\$126,604	\$141,748	\$141,569	\$119,607	\$170,250	\$150,445	\$579,528
Serious Delinquency Rate	2.42%	5.61%	8.42%	9.03%	5.64%	6.33%	15.97%	7.03%	14.29%	0.12%
Origination Years 2005-2007	46.5%	62.0%	80.9%	56.3%	55.0%	58.8%	69.8%	72.7%	80.7%	1.4%
Weighted Average Original Loan-to-Value (Original LTV) Ratio	71.8%	71.1%	75.4%	76.7%	77.5%	97.3%	98.1%	72.6%	77.2%	68.4%
Original Loan-to-Value Ratio > 90	10.2%	0.3%	9.1%	22.2%	21.1%	100.0%	100.0%	5.3%	6.8%	0.0%
Weighted Average Mark-to-Market Loan-to-Value Ratio	70.0%	87.2%	93.4%	76.3%	77.5%	97.6%	97.7%	81.0%	87.3%	69.9%
Mark-to-Market Loan-to-Value Ratio > 100	11.6%	42.8%	35.6%	15.9%	17.6%	38.2%	38.5%	23.2%	24.5%	0.4%
Weighted Average FICO	724	695	725	588	641	694	592	719	623	762
FICO < 620	4.5%	10.7%	1.3%	100.0%	0.0%	9.8%	100.0%	0.7%	47.6%	0.6%
FICO ≥ 620 and < 660	9.4%	10.1%	7.7%	0.0%	100.0%	19.4%	0.0%	8.7%	27.8%	0.2%
Fixed-rate	90.0%	0.1%	39.6%	93.6%	92.3%	94.2%	96.5%	72.3%	73.1%	95.2%
Principal Residence	89.7%	70.4%	84.9%	96.8%	94.4%	97.1%	99.4%	77.8%	96.6%	98.2%
Condo/Co-op	9.4%	13.5%	16.2%	4.9%	6.6%	9.8%	5.9%	10.8%	4.7%	11.5%
Credit Enhanced ⁽²⁾	20.9%	76.3%	35.0%	35.0%	36.3%	92.5%	94.1%	38.6%	63.4%	11.3%
% of 2007 Credit Losses ⁽³⁾	100.0%	0.9%	15.0%	18.8%	21.9%	17.4%	6.4%	29.2%	1.0%	0.0%
% of 2008 Q3 Credit Losses ⁽³⁾	100.0%	3.8%	36.2%	11.3%	16.8%	21.5%	5.4%	47.6%	2.1%	0.2%
% of 2008 Q4 Credit Losses ⁽³⁾	100.0%	2.2%	33.1%	11.5%	17.2%	23.1%	5.2%	43.2%	2.0%	1.1%
% of 2008 Credit Losses ⁽³⁾	100.0%	2.9%	34.2%	11.8%	17.4%	21.3%	5.4%	45.6%	2.0%	0.4%

⁽¹⁾ Alt-A, Subprime, and Jumbo Conforming Loans are calculated as a percentage of the single-family mortgage credit book of business, which includes government loans. Government loans are guaranteed or insured by the U.S. Government or its agencies, such as the Department of Veterans Affairs (VA), the Federal Housing Administration (FHA) or the Rural Housing and Community Facilities Program of the Department of Agriculture.

⁽²⁾ Unpaid principal balance of all loans with credit enhancement as a percentage of unpaid principal balance of single-family conventional mortgage credit book of business. Includes primary mortgage insurance, pool insurance, lender recourse and other credit enhancement.

⁽³⁾ Expressed as a percentage of credit losses for the single-family mortgage credit book of business. For information on total credit losses, refer to Fannie Mae's 2008 Form 10-K.

Note: Categories are not mutually exclusive; numbers are not additive across columns. FICO scores reflected in the table are those provided by the Sellers of the mortgage loans at time of delivery.

* Excludes non-Fannie Mae securities held in portfolio and Alt-A and subprime wraps, for which Fannie Mae does not have loan-level information. Fannie Mae has access to detailed loan-level information on approximately 96% of our conventional single-family mortgage credit book of business. Certain data contained in this presentation are based upon information that Fannie Mae receives from third-party sources. Although Fannie Mae generally considers this information reliable, it does not guarantee that it is accurate or suitable for any particular purpose.

Fannie Mae Credit Profile by Vintage and Key Product Features

Credit Characteristics of Single-Family Conventional Mortgage Credit Book of Business by Vintage

As of December 31, 2008	Overall Book	Vintages				
		2008	2007	2006	2005	2004 and Earlier
Unpaid Principal Balance (billions) *	\$2,730.9	\$436.6	\$540.8	\$375.1	\$353.8	\$1,024.6
Share of Single-Family Conventional Credit Book	100.0%	16.0%	19.8%	13.7%	13.0%	37.5%
Average Unpaid Principal Balance	\$148,824	\$209,741	\$191,066	\$174,856	\$163,265	\$112,278
Serious Delinquency Rate	2.42%	0.67%	4.70%	5.11%	2.99%	1.35%
Weighted Average Original Loan-to-Value Ratio	71.8%	72.1%	76.2%	73.8%	71.7%	68.8%
Original Loan-to-Value Ratio > 90	10.2%	9.5%	17.7%	10.7%	8.0%	7.1%
Weighted Average Mark-to-Market Loan-to-Value Ratio	70.0%	75.9%	87.3%	84.8%	75.4%	51.0%
Mark-to-Market Loan-to-Value Ratio > 100	11.6%	7.3%	24.9%	22.7%	13.9%	1.4%
Weighted Average FICO	724	740	716	717	723	725
FICO < 620	4.5%	2.2%	6.4%	5.3%	4.2%	4.3%
FICO ≥ 620 and < 660	9.4%	5.2%	11.9%	11.3%	9.7%	9.0%
Interest Only	7.8%	5.3%	14.1%	16.1%	10.1%	1.7%
Negative-Amortizing	0.6%	0.0%	0.1%	1.3%	1.5%	0.6%
Fixed-rate	90.0%	93.0%	91.5%	86.7%	83.5%	91.5%
Principal Residence	89.7%	89.2%	88.8%	87.2%	88.1%	91.8%
Condo/Co-op	9.4%	11.0%	10.8%	11.0%	10.0%	7.0%
Credit Enhanced ⁽¹⁾	20.9%	21.5%	30.3%	27.6%	20.7%	13.2%
% of 2007 Credit Losses ⁽²⁾	100.0%	0.0%	1.9%	21.3%	23.6%	53.2%
% of 2008 Q3 Credit Losses ⁽²⁾	100.0%	0.4%	31.3%	35.2%	18.3%	14.9%
% of 2008 Q4 Credit Losses ⁽²⁾	100.0%	1.3%	32.0%	34.2%	17.7%	14.9%
% of 2008 Credit Losses ⁽²⁾	100.0%	0.5%	27.9%	34.9%	19.3%	17.3%
Cumulative Default Rate ⁽³⁾	—	0.02%	0.79%	1.49%	1.15%	—

⁽¹⁾ Unpaid principal balance of all loans with credit enhancement as a percentage of unpaid principal balance of single-family conventional mortgage credit book of business. Includes primary mortgage insurance, pool insurance, lender recourse and other credit enhancement.

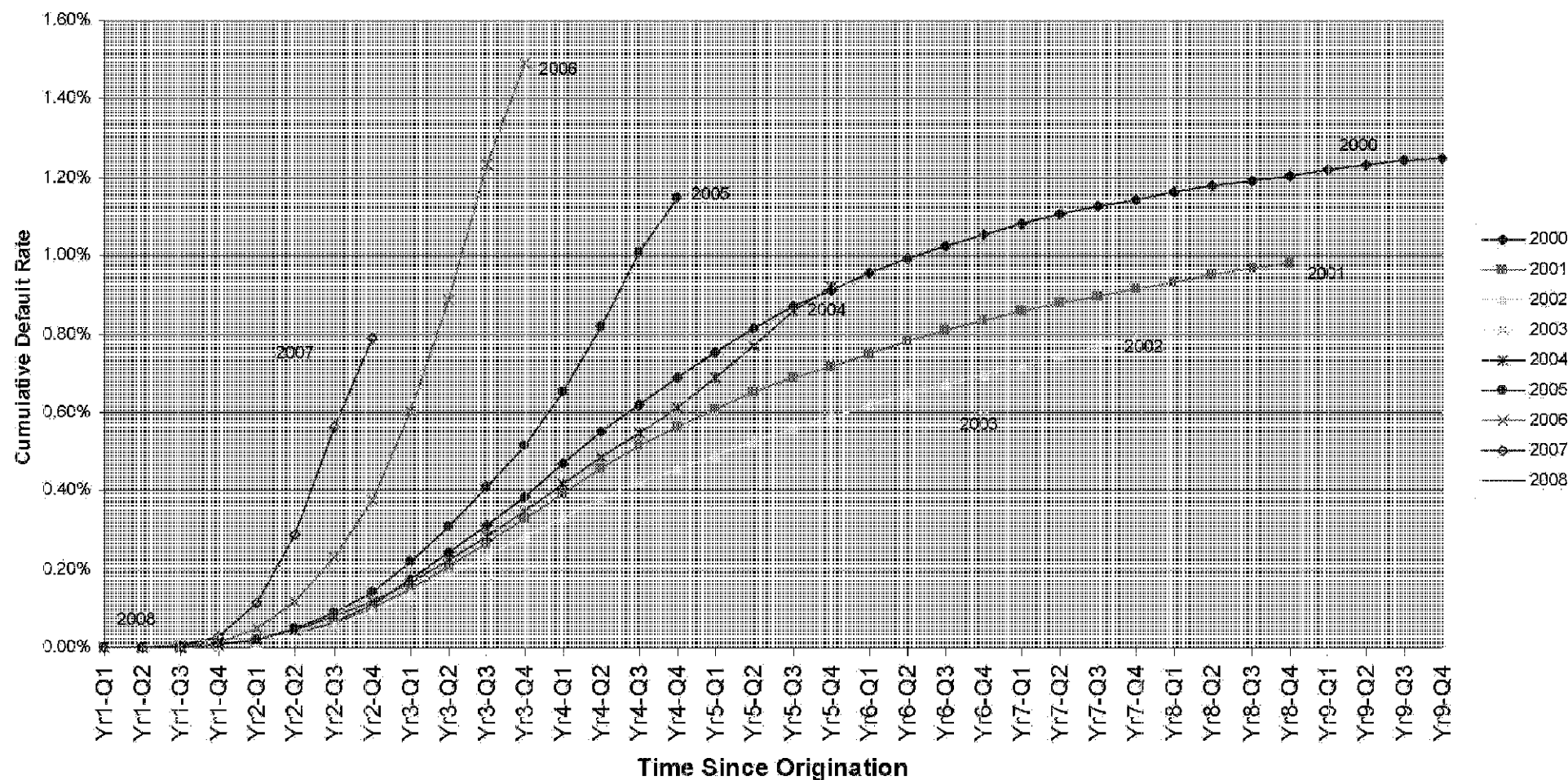
⁽²⁾ Expressed as a percentage of credit losses for the single-family mortgage credit book of business. For more information on total credit losses, refer to Fannie Mae's 2008 Form 10-K.

⁽³⁾ Default means loan was terminated without full satisfaction. Cumulative Default Rate is total number of defaulted loans since origination divided by total originated loans. As of December 31, 2008, 2004 vintage cumulative default rate was 0.92% and 2003 vintage cumulative default rate was 0.59%.

Note: FICO scores reflected in the table are those provided by the Sellers of the mortgage loans at time of delivery.

* **Excludes non-Fannie Mae securities held in portfolio and Alt-A and subprime wraps, for which Fannie Mae does not have loan-level information. Fannie Mae has access to detailed loan-level information on approximately 96% of our conventional single-family mortgage credit book of business. Certain data contained in this presentation are based upon information that Fannie Mae receives from third-party sources. Although Fannie Mae generally considers this information reliable, it does not guarantee that it is accurate or suitable for any particular purpose.**

Single-Family Cumulative Default Rate Originations from 2000 through 2008



Note: Cumulative default rates include loans that have been liquidated other than through voluntary pay-off or repurchase by lenders and include loan foreclosures, pre-foreclosure sales, sales to third parties and deeds in lieu of foreclosure.

Fannie Mae Credit Profile by State

Credit Characteristics of Single-Family Conventional Mortgage Credit Book of Business by State

As of December 31, 2008	Overall Book	AZ	CA	FL	MI	NV	OH
Unpaid Principal Balance (billions) *	\$2,730.9	\$78.2	\$438.8	\$200.7	\$79.5	\$35.9	\$73.1
Share of Single-Family Conventional Credit Book	100.0%	2.9%	16.1%	7.3%	2.9%	1.3%	2.7%
Average Unpaid Principal Balance	\$148,824	\$160,250	\$202,894	\$145,482	\$117,919	\$179,566	\$106,540
Serious Delinquency Rate	2.42%	3.41%	2.30%	6.14%	2.64%	4.74%	2.68%
Origination Years 2005-2007	46.5%	60.8%	41.2%	59.1%	37.8%	60.1%	40.7%
Weighted Average Original Loan-to-Value Ratio	71.8%	73.7%	62.8%	73.3%	73.9%	74.5%	77.2%
Original Loan-to-Value Ratio > 90	10.2%	10.0%	3.0%	10.8%	10.0%	9.4%	15.5%
Weighted Average Mark-to-Market Loan-to-Value Ratio	70.0%	85.7%	71.4%	87.1%	80.1%	97.5%	71.6%
Mark-to-Market Loan-to-Value Ratio > 100	11.6%	32.6%	21.0%	36.0%	18.6%	49.3%	6.9%
Weighted Average FICO	724	725	732	718	721	724	720
FICO < 620	4.5%	3.6%	2.9%	5.3%	5.4%	3.2%	5.7%
FICO ≥ 620 and < 660	9.4%	9.3%	7.0%	10.8%	10.4%	9.3%	10.7%
Interest Only	7.8%	15.7%	13.0%	11.7%	4.8%	20.9%	3.1%
Negative Amortizing	0.6%	0.7%	2.4%	1.2%	0.2%	1.8%	0.1%
Fixed-rate	90.0%	84.9%	84.0%	87.0%	89.8%	77.1%	93.8%
Principal Residence	89.7%	83.4%	88.3%	81.7%	92.7%	80.3%	94.1%
Condo/Co-op	9.4%	5.5%	12.0%	15.7%	9.3%	7.7%	4.4%
Credit Enhanced ⁽¹⁾	20.9%	22.5%	12.1%	23.7%	19.6%	27.3%	27.2%
% of 2007 Credit Losses ⁽²⁾	100.0%	1.8%	7.2%	4.7%	26.1%	1.2%	13.1%
% of 2008 Q3 Credit Losses ⁽²⁾	100.0%	8.6%	31.1%	10.2%	10.9%	4.8%	3.1%
% of 2008 Q4 Credit Losses ⁽²⁾	100.0%	9.9%	19.5%	15.0%	9.1%	5.8%	3.2%
% of 2008 Credit Losses ⁽²⁾	100.0%	8.0%	25.2%	10.9%	12.5%	4.9%	3.7%
⁽¹⁾ Unpaid principal balance of all loans with credit enhancement as a percentage of unpaid principal balance of single-family conventional mortgage credit book of business. Includes primary mortgage insurance, pool insurance, lender recourse and other credit enhancement.							
⁽²⁾ Expressed as a percentage of credit losses for the single-family mortgage credit book of business. Refer to Fannie Mae's 2008 Form 10-K for more information on total credit losses.							

Note: FICO scores reflected in the table are those provided by the Sellers of the mortgage loans at time of delivery.

* Excludes non-Fannie Mae securities held in portfolio and Alt-A and subprime wraps, for which Fannie Mae does not have loan-level information. Fannie Mae has access to detailed loan-level information on approximately 96% of our conventional single-family mortgage credit book of business. Certain data contained in this presentation are based upon information that Fannie Mae receives from third-party sources. Although Fannie Mae generally considers this information reliable, it does not guarantee that it is accurate or suitable for any particular purpose.

Single-Family Serious Delinquency Rates by State and Region

	December 31, 2007	March 31, 2008	June 30, 2008	September 30, 2008	December 31, 2008
Arizona	0.75%	1.12%	1.51%	2.14%	3.41%
California	0.50%	0.76%	1.05%	1.44%	2.30%
Florida	1.59%	2.32%	3.21%	4.37%	6.14%
Michigan	1.43%	1.46%	1.57%	1.86%	2.64%
Nevada	1.20%	1.69%	2.25%	3.08%	4.74%
Ohio	1.78%	1.87%	1.95%	2.19%	2.68%
Total conventional single-family loans	0.98%	1.15%	1.36%	1.72%	2.42%
Serious Delinquency Rates by Region ⁽¹⁾					
Midwest	1.35%	1.44%	1.57%	1.86%	2.44%
Northeast	0.94%	1.05%	1.21%	1.47%	1.97%
Southeast	1.18%	1.44%	1.80%	2.34%	3.27%
Southwest	0.86%	0.94%	1.08%	1.35%	1.98%
West	0.50%	0.72%	0.97%	1.33%	2.10%
Total conventional single-family loans	0.98%	1.15%	1.36%	1.72%	2.42%

⁽¹⁾ For information on which states are contained within each region, please see the 2008 Form 10-K. Regional SDQ rate is the number of seriously delinquent loans in a region divided by the total number of loans in our conventional single-family book in that region.

Home Price Growth/Decline and Fannie Mae Single-Family Real Estate Owned (REO) in Selected States

State	REO Acquisitions (Number of Properties)								REO Inventory as of December 31, 2008	1-Year HP Growth January 2008 to December 2008*	5-Year Annualized HP Growth January 2004 to December 2008*
	2005	2006	2007	2008	2008 Q1	2008 Q2	2008 Q3	2008 Q4			
Arizona	146	56	751	5,532	632	1,315	1,887	1,698	3,929	-25.2%	2.0%
California	18	93	1,681	10,624	1,477	2,918	4,399	1,830	7,454	-24.3%	-0.6%
Florida	334	282	1,714	6,159	966	1,404	1,874	1,915	4,227	-23.9%	0.8%
Michigan	3,633	5,691	8,067	11,749	3,259	3,035	3,418	2,037	10,077	-10.6%	-4.0%
Nevada	27	62	530	2,906	403	686	1,005	812	2,094	-29.7%	-0.9%
Ohio	3,113	4,041	4,433	5,289	1,239	1,424	1,485	1,141	3,388	-4.1%	-0.3%
Other	25,289	26,355	31,945	52,393	12,132	13,181	15,515	11,565	32,369	-4.4%	3.1%
Total	32,560	36,580	49,121	94,652	20,108	23,963	29,583	20,998	63,538	-8.9%	2.1%

* Initial estimate based on purchase transactions in Fannie-Freddie acquisition and public deed data available through the end of December 2008, supplemented by preliminary data available for January and February 2009. Including subsequent data may lead to materially different results.

On a national basis, REO net sales prices compared with unpaid principal balances of mortgage loans have decreased as follows, driving increases in loss severities:

- 93% in 2005
- 89% in 2006
- 78% in 2007
- 74% in 2008 Q1
- 74% in 2008 Q2
- 70% in 2008 Q3
- 61% in 2008 Q4

Fannie Mae Alt-A Credit Profile by Key Product Features

Credit Characteristics of Alt-A Loans in Single-Family Mortgage Credit Book of Business by Vintage

As of December 31, 2008	Alt-A ⁽¹⁾	Vintage				
		2008	2007	2006	2005	2004 and Earlier
Unpaid principal balance (billions) *	\$292.4	\$6.9	\$75.3	\$82.4	\$55.0	\$72.8
Share of Alt-A	100.0%	2.4%	25.7%	28.2%	18.8%	24.9%
Weighted Average Original Loan-to-Value Ratio	72.6%	66.2%	74.8%	73.9%	72.5%	69.7%
Original Loan-to-Value Ratio > 90	5.3%	2.2%	8.9%	4.8%	3.2%	4.2%
Weighted Average Mark-to-Market Loan-to-Value Ratio	81.0%	72.4%	92.4%	91.8%	83.4%	56.1%
Mark-to-Market Loan-to-Value Ratio > 100	23.2%	7.7%	32.6%	32.5%	24.2%	3.6%
Weighted Average FICO	719	729	714	715	725	723
FICO < 620	0.7%	0.2%	0.5%	0.5%	0.4%	1.3%
FICO ≥ 620 and < 660	8.7%	2.1%	10.6%	10.5%	6.5%	7.1%
Adjustable-rate	27.7%	10.2%	22.2%	30.0%	40.4%	23.0%
Interest Only	29.6%	7.2%	38.2%	38.8%	30.1%	12.0%
Negative Amortizing	2.8%	0.0%	0.0%	3.8%	6.6%	1.9%
Investor	17.1%	17.5%	19.3%	16.9%	19.1%	13.5%
Condo/Co-op	10.8%	6.7%	10.0%	11.7%	13.0%	9.2%
California	21.7%	19.9%	21.9%	19.7%	20.6%	24.7%
Florida	11.0%	8.5%	11.7%	12.7%	12.1%	7.7%
Credit Enhanced ⁽²⁾	38.6%	13.1%	35.8%	53.0%	46.4%	21.5%
2008 Q1 Serious Delinquency Rate	2.96%	0.00%	2.85%	4.34%	3.23%	1.79%
2008 Q2 Serious Delinquency Rate	3.78%	0.19%	4.37%	5.60%	3.94%	1.97%
2008 Q3 Serious Delinquency Rate	4.92%	0.94%	6.29%	7.27%	4.79%	2.30%
2008 Q4 Serious Delinquency Rate	7.03%	2.14%	9.61%	10.24%	6.64%	3.06%
% of 2007 Credit Losses ⁽³⁾	27.8%	0.0%	0.7%	9.8%	9.7%	7.7%
% of 2008 Q3 Credit Losses ⁽³⁾	47.6%	0.0%	14.0%	20.9%	9.7%	3.1%
% of 2008 Q4 Credit Losses ⁽³⁾	43.2%	0.1%	13.1%	18.8%	8.2%	2.9%
% of 2008 Credit Losses ⁽³⁾	45.6%	0.0%	12.4%	20.2%	9.7%	3.4%
Cumulative Default Rate ⁽⁴⁾	—	0.06%	1.87%	2.99%	2.26%	—

⁽¹⁾ "Alt-A mortgage loan" generally refers to a mortgage loan that can be underwritten with reduced or alternative documentation than that required for a full documentation mortgage loan but may also include other alternative product features. As a result, Alt-A mortgage loans generally have a higher risk of default than non-Alt-A mortgage loans. In reporting our Alt-A exposure, we have classified mortgage loans as Alt-A if the lenders that deliver the mortgage loans to us have classified the loans as Alt-A based on documentation or other product features. We have classified private-label mortgage-related securities held in our investment portfolio as Alt-A if the securities were labeled as such when issued.

⁽²⁾ Defined as unpaid principal balance of Alt-A loans with credit enhancement as a percentage of unpaid principal balance of all Alt-A loans. At December 31, 2008, 8.7% of unpaid principal balance of Alt-A loans carried only primary mortgage insurance (no deductible), 26.2% had only pool insurance (which is generally subject to a deductible), 3.1% had primary mortgage insurance and pool insurance, and 0.6% carried other credit enhancement such as lender recourse.

⁽³⁾ Expressed as a percentage of credit losses for the single-family mortgage credit book of business. Refer to Fannie Mae's 2008 Form 10-K for more information on total credit losses.

⁽⁴⁾ Default means loan was terminated without full satisfaction. Cumulative Default Rate is total number of defaulted loans since origination divided by total originated loans.

Note: FICO scores reflected in the table are those provided by the Sellers of the mortgage loans at time of delivery.

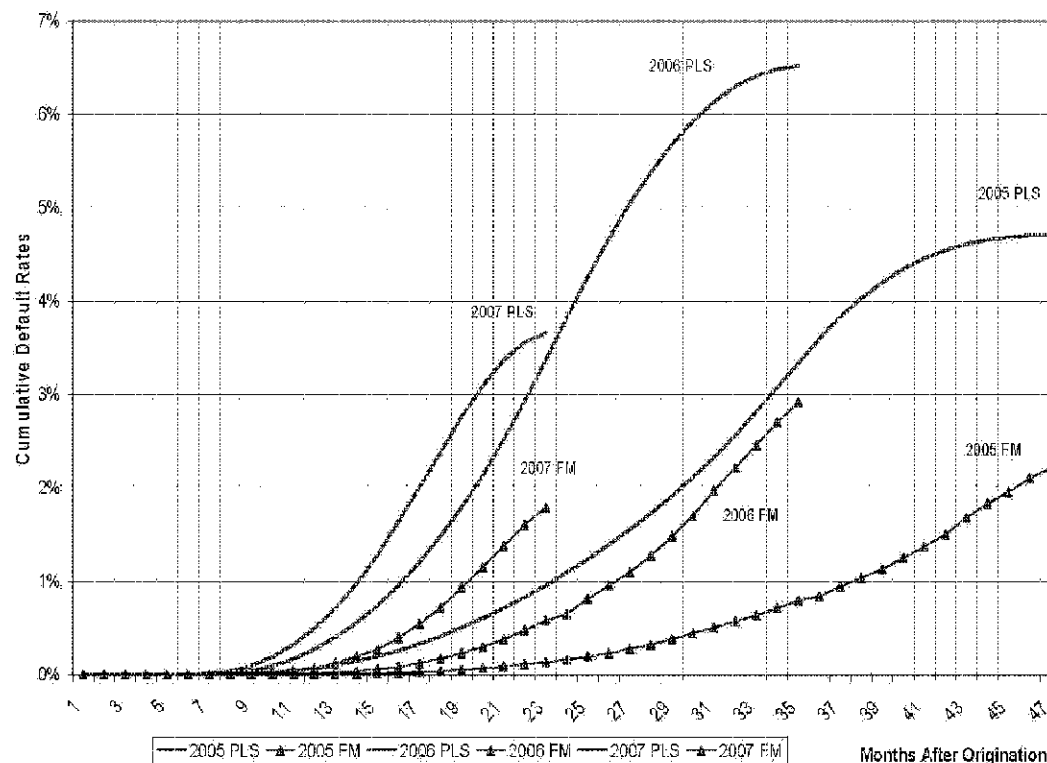
* Excludes non-Fannie Mae securities held in portfolio and Alt-A and subprime wraps, for which Fannie Mae does not have loan-level information. Fannie Mae has access to detailed loan-level information on approximately 96% of our conventional single-family mortgage credit book of business. Certain data contained in this presentation are based upon information that Fannie Mae receives from third-party sources. Although Fannie Mae generally considers this information reliable, it does not guarantee that it is accurate or suitable for any particular purpose.

Fannie Mae Alt-A Loans Versus Loans Underlying Private-Label Alt-A Securities

Fannie Mae Alt-A Versus Private Label Security Conforming Alt-A		
	<u>Fannie Mae Alt-A</u> Outstanding Alt-A loans in Fannie Mae's Single- Family Guaranty Book of Business as of November 2008	<u>PLS Market Alt-A</u> Outstanding loans backing non-agency conforming Alt-A MBS as of November 2008
FICO	719	710
Original Loan-to-Value Ratio	73%	75%
Combined Loan-to-Value Ratio at Origination ⁽¹⁾	77%	81%
Geography		
California	22%	27%
Florida	11%	13%
Product Type		
Fixed Rate	72%	51%
Adjustable Rate	28%	49%
Interest Only	20%	25%
Negative-Amortizing	3%	19%
Investor	17%	21%

⁽¹⁾ Includes first liens and any subordinate liens present at origination.

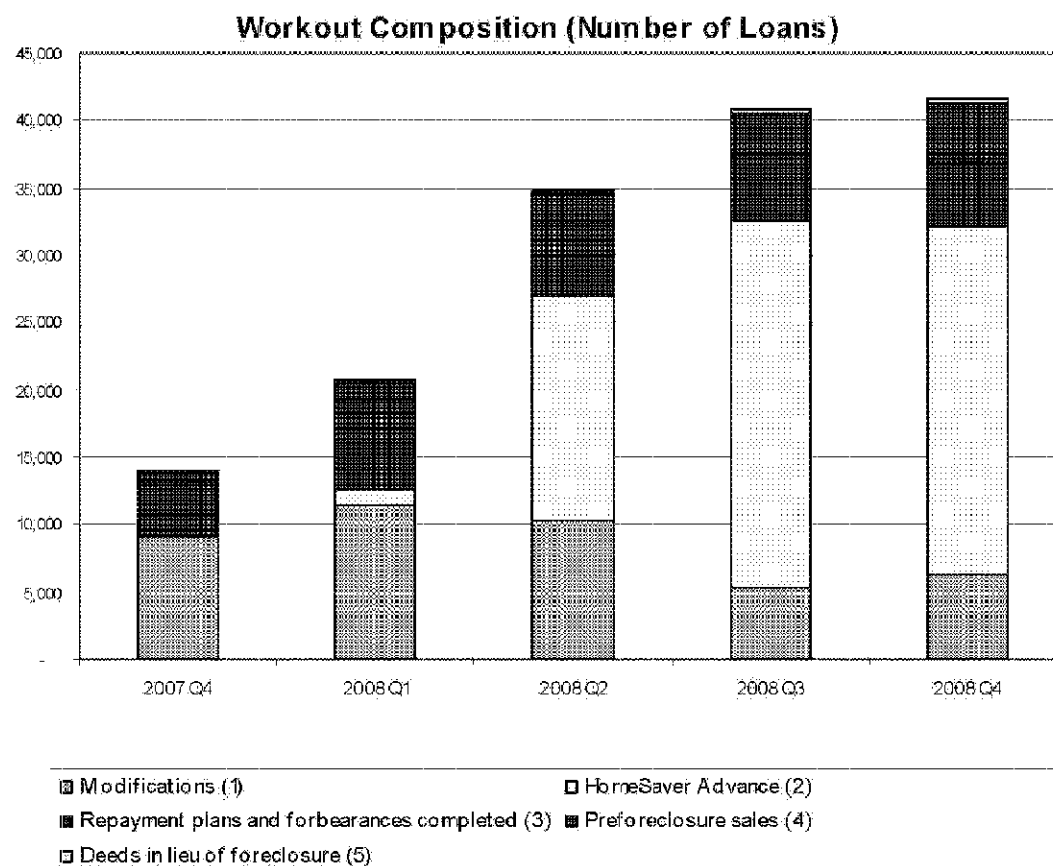
Cumulative Default Rates For Fannie Mae Alt-A And Private Label Alt-A For 2005, 2006 and 2007 Cohorts



Notes: Data as of November 30, 2008 is not necessarily indicative of the ultimate performance and are likely to change, perhaps materially, in future periods. Private label security data is from LoanPerformance.

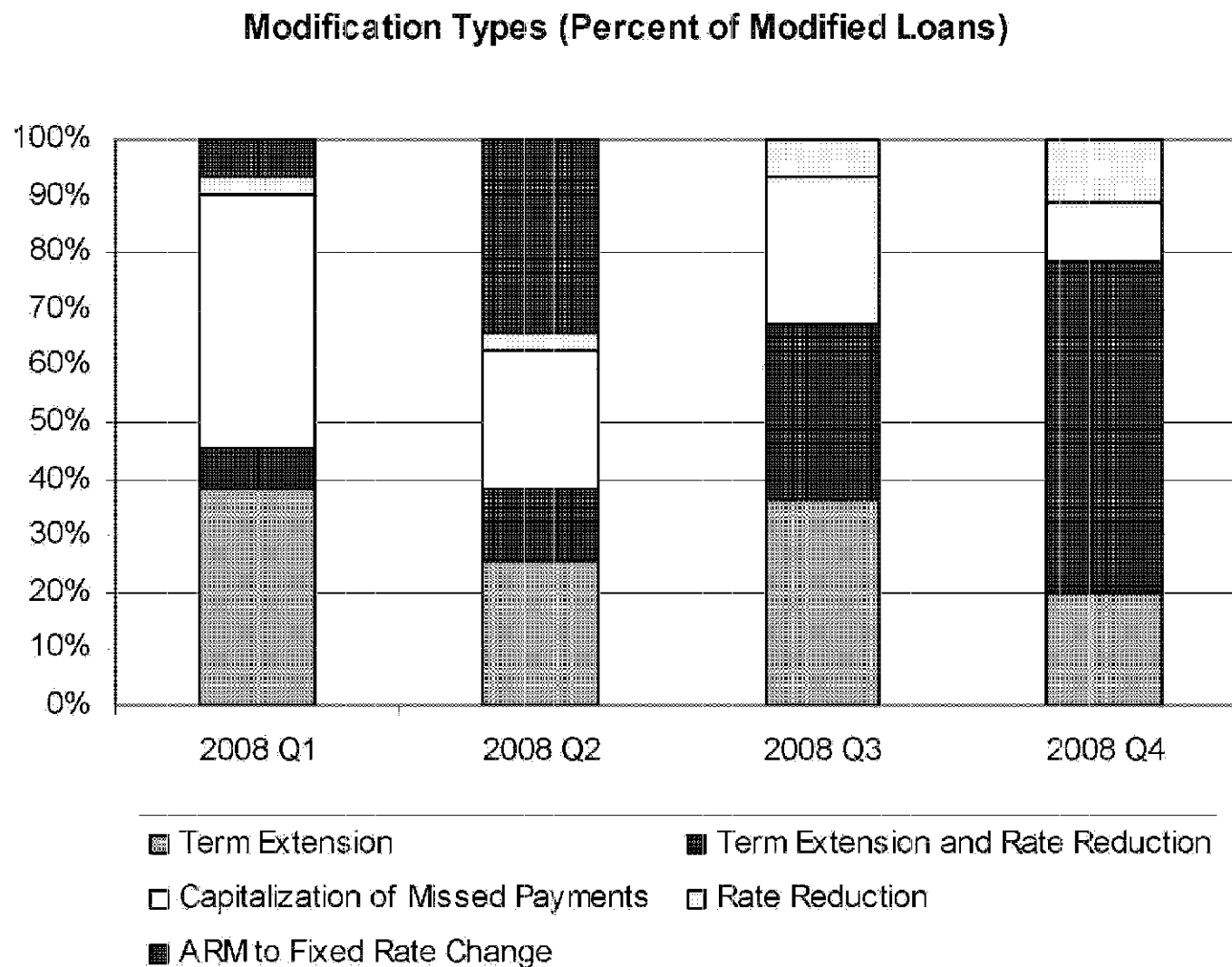
Private-label securities data source are from First American CoreLogic, LoanPerformance data, which estimates it captures 97 percent of Alt-A private-label securities. The private-label securities data include some loans that Fannie Mae holds in its Alt-A securities portfolio.

Workouts by Type



- (1) Modifications: involve changes to the original mortgage terms, that may include a change to the product type, interest rate, amortization term, maturity date and/or unpaid principal balance. Includes modifications of conventional and government (FHA/VA) loans.
- (2) HomeSaver Advance™: an unsecured, personal loan provided to qualified borrowers to cure a payment default on a mortgage loan that we own or guarantee. Borrowers must demonstrate the ability to resume regular monthly payments on their mortgage.
- (3) Repayment plans: borrowers repay past due principal and interest over a reasonable period of time through temporarily higher monthly payments. Loans with repayment plans are included for loans that were at least 60 days delinquent. Our 2008 Form 10-K reports loans with repayment plans only for loans that were at least 90 days delinquent. Forbearances: lender agrees to suspend or reduce borrower payments for a period of time.
- (4) Preforeclosure sales: borrowers, working with servicers, sell their homes prior to foreclosure and pay off all or part of the outstanding loan, accrued interest and other expenses from the sale proceeds.
- (5) Deeds in lieu of foreclosure: borrowers voluntarily sign over title of their property to servicers to satisfy the first lien mortgage obligation and avoid foreclosure.

Loan Modifications by Type



Fannie Mae

2009 First Quarter Credit Supplement



May 8, 2009

- **These materials present tables and other information about Fannie Mae, including information contained in Fannie Mae's Quarterly Report on Form 10-Q for the quarter ended March 31, 2009, the "2009 Q1 Form 10-Q." Some of the terms used in these materials are defined and discussed more fully in the 2009 Q1 Form 10-Q and Fannie Mae's Annual Report on Form 10-K for the year ended December 31, 2008, "2008 Form 10-K". These materials should be reviewed together with the 2009 Q1 Form 10-Q and 2008 Form 10-K, copies of which are available on Fannie Mae's Web site at www.fanniemae.com under the "Investor Relations" section of the Web site.**
- **This presentation includes forward-looking statements relating to future home price declines. These statements are based on our opinions, analyses, estimates, forecasts and other views on a variety of economic and other information, and changes in the assumptions and other information underlying these views could produce materially different results. The impact of future home price declines on our business, results or financial condition will depend on many other factors.**

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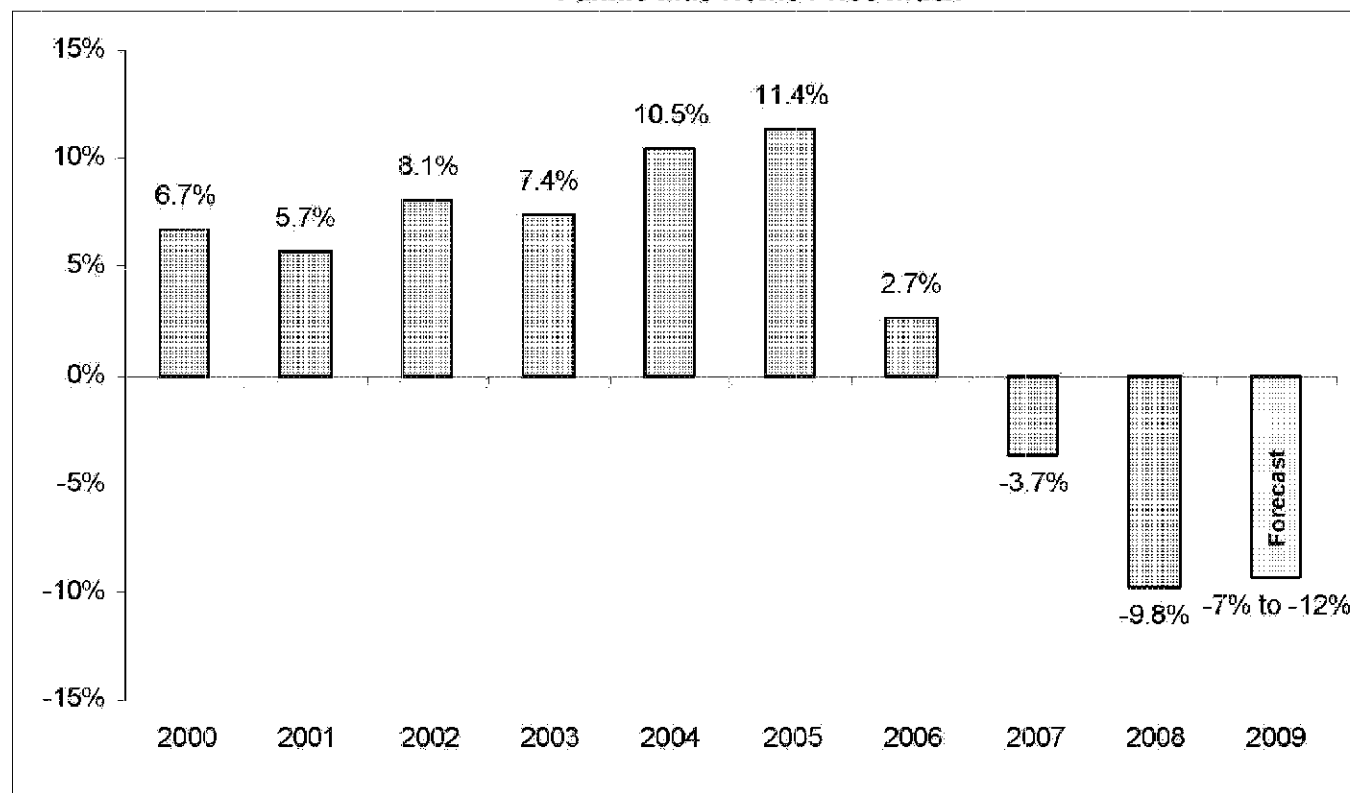
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Home Price Growth/Decline Rates in the U.S.

Fannie Mae Home Price Index



S&P/Case-Shiller Index	2000	2001	2002	2003	2004	2005	2006	2007	2008
	9.8%	7.7%	10.6%	10.7%	14.6%	14.7%	-0.3%	-8.7%	-18.2%

Growth rates are from period-end to period-end.

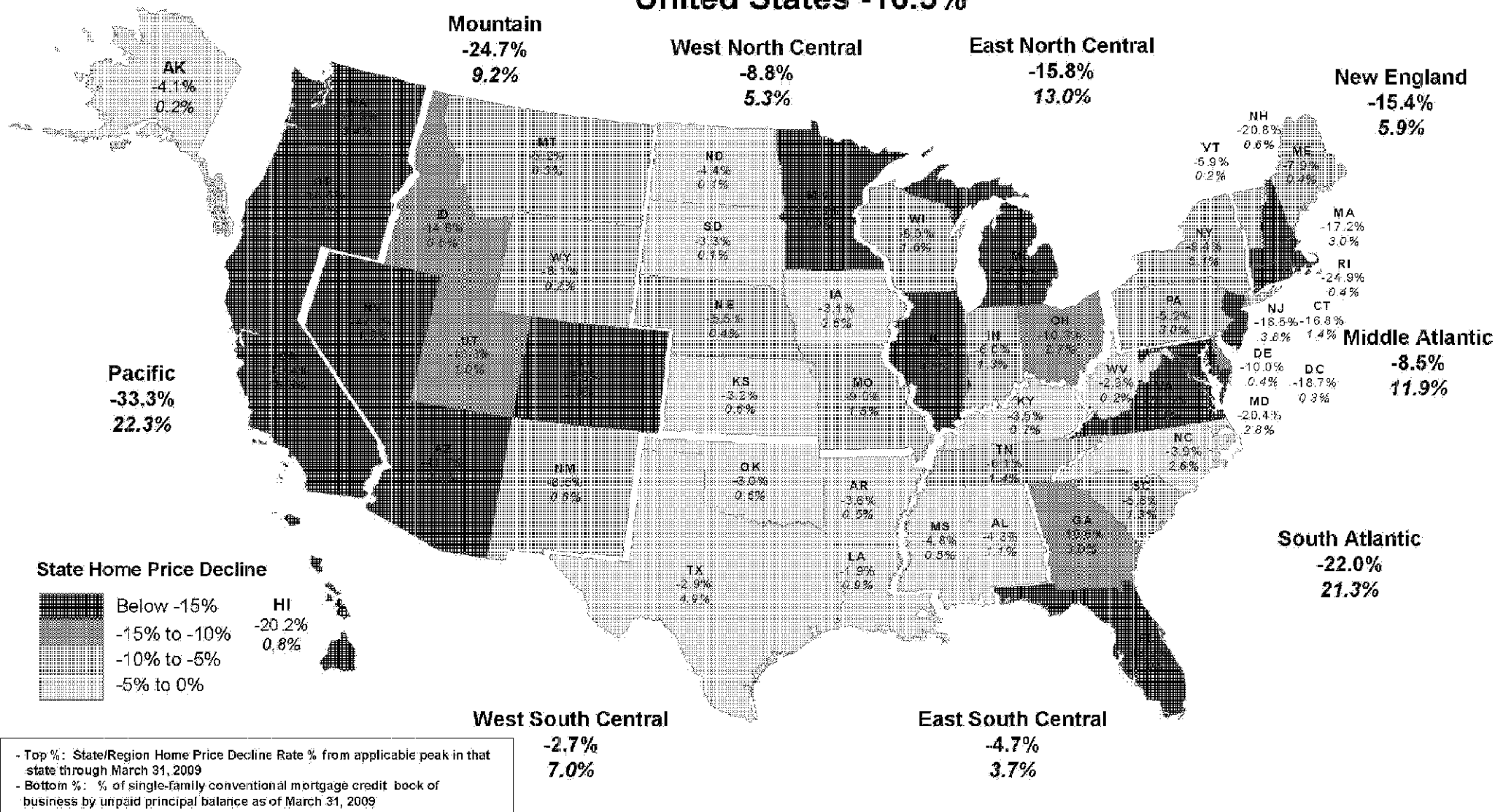
- We expect 2009 home price declines to be in the 7% to 12% range, based upon the Fannie Mae Home Price Index. This 7% to 12% range is comparable to a 12% to 18% range using the S&P/Case-Shiller index method.
- We expect peak-to-trough declines in home prices to be in the 20% to 30% range (33% to 46% using the S&P/Case-Shiller index method).

Note: Our estimates differ from the S&P/Case-Shiller index in two principal ways: (1) our estimates weight expectations for each individual property by number of properties, whereas the S&P/Case-Shiller index weights expectations of home price declines based on property value, causing declines in home prices on higher priced homes to have a greater effect on the overall result; and (2) our estimates do not include sales of foreclosed homes because we believe that differing maintenance practices and the forced nature of the sales make foreclosed home prices less representative of market values, whereas the S&P/Case-Shiller index includes sales of foreclosed homes. The S&P/Case Shiller comparison numbers shown above are calculated using our models and assumptions, but modified to use these two factors (weighting of expectations based on property value and the inclusion of foreclosed property sales). In addition to these differences, our estimates are based on our own internally available data combined with publicly available data, and are therefore based on data collected nationwide, whereas the S&P/Case-Shiller index is based only on publicly available data, which may be limited in certain geographic areas of the country. Our comparative calculations to the S&P/Case-Shiller index provided above are not modified to account for this data pool difference.

Home Price Declines Peak-to-Current (by State) as of 2009 Q1

Percentage of Fannie Mae's Single-Family Conventional Mortgage Credit Book of Business

United States -16.5%



Note: Regional home price decline percentages are a housing stock unit-weighted average of home price decline percentages of states within each region.

Source: Fannie Mae. Initial estimate based on purchase transactions in Fannie-Freddie acquisition and public deed data available through the end of March 2009, supplemented by preliminary data available for home sales scheduled to be settled in April and May 2009. Including subsequent data may lead to materially different results.

Fannie Mae Credit Profile by Key Product Features

Credit Characteristics of Single-Family Conventional Mortgage Credit Book of Business

As of March 31, 2009	Overall Book	Negative-Amortizing Loans	Interest-Only Loans	Loans with FICO < 620	Loans with FICO ≥ 620 and < 660	Loans with Original LTV Ratio > 90%	Loans with FICO < 620 and Original LTV Ratio > 90%	Alt-A Loans ⁽¹⁾	Subprime Loans ⁽¹⁾	Jumbo Conforming Loans ⁽¹⁾
Unpaid Principal Balance (billions) *	\$2,760.7	\$16.6	\$206.4	\$120.1	\$251.5	\$273.9	\$26.5	\$283.5	\$8.2	\$26.0
Share of Single-Family Conventional Credit Book ⁽¹⁾	100.0%	0.6%	7.5%	4.3%	9.1%	9.9%	1.0%	9.7%	0.3%	0.9%
Average Unpaid Principal Balance	\$149,888	\$140,747	\$241,888	\$125,966	\$141,178	\$141,547	\$119,095	\$169,546	\$150,233	\$567,449
Serious Delinquency Rate	3.15%	7.29%	11.86%	10.52%	7.18%	7.78%	17.84%	9.54%	17.95%	0.35%
Origination Years 2005-2007	43.8%	61.8%	80.8%	58.0%	54.5%	57.9%	69.7%	72.9%	80.6%	0.9%
Weighted Average Original Loan-to-Value (Original LTV) Ratio	71.7%	71.2%	75.5%	76.7%	77.4%	97.2%	98.1%	72.7%	77.2%	67.5%
Original Loan-to-Value Ratio > 90	9.9%	0.3%	9.1%	22.0%	20.9%	100.0%	100.0%	5.3%	6.8%	0.0%
Weighted Average Mark-to-Market Loan-to-Value Ratio	73.4%	94.1%	99.4%	79.5%	81.0%	101.0%	101.0%	86.3%	91.4%	71.6%
Mark-to-Market Loan-to-Value Ratio > 100	14.0%	47.9%	42.4%	19.6%	21.3%	45.5%	46.5%	27.9%	29.2%	1.6%
Weighted Average FICO	725	699	725	588	641	695	592	719	623	763
FICO < 620	4.3%	10.0%	1.3%	100.0%	0.0%	9.7%	100.0%	0.7%	47.8%	0.5%
FICO ≥ 620 and < 660	9.1%	9.9%	7.8%	0.0%	100.0%	19.2%	0.0%	8.8%	27.8%	0.3%
Fixed-rate	90.5%	0.1%	39.6%	93.5%	92.2%	94.2%	96.0%	72.2%	73.0%	96.4%
Primary Residence	89.8%	70.1%	84.8%	96.7%	94.3%	97.1%	99.4%	77.6%	96.6%	98.0%
Condo/Co-op	9.3%	13.6%	16.3%	4.9%	6.6%	9.9%	6.0%	10.8%	4.7%	11.0%
Credit Enhanced ⁽²⁾	20.4%	75.8%	35.3%	34.1%	35.7%	92.0%	93.2%	38.7%	63.4%	9.8%
% of 2007 Credit Losses ⁽³⁾	100.0%	0.9%	15.0%	18.8%	21.9%	17.4%	6.4%	27.8%	1.0%	0.0%
% of 2008 Credit Losses ⁽³⁾	100.0%	2.9%	34.2%	11.8%	17.4%	21.3%	5.4%	45.6%	2.0%	0.4%
% of 2008 Q3 Credit Losses ⁽³⁾	100.0%	3.8%	36.2%	11.3%	16.8%	21.5%	5.4%	47.6%	2.1%	0.2%
% of 2008 Q4 Credit Losses ⁽³⁾	100.0%	2.2%	33.1%	11.5%	17.2%	23.1%	5.2%	43.2%	2.0%	1.1%
% of 2009 Q1 Credit Losses ⁽³⁾	100.0%	1.8%	34.2%	10.7%	16.0%	22.5%	6.5%	39.2%	2.0%	0.0%

⁽¹⁾ Alt-A, Subprime, and Jumbo Conforming Loans are calculated as a percentage of the single-family mortgage credit book of business, which includes government loans. Government loans are guaranteed or insured by the U.S. Government or its agencies, such as the Department of Veterans Affairs (VA), the Federal Housing Administration (FHA) or the Rural Housing and Community Facilities Program of the Department of Agriculture.

⁽²⁾ Unpaid principal balance of all loans with credit enhancement as a percentage of unpaid principal balance of single-family conventional mortgage credit book of business. Includes primary mortgage insurance, pool insurance, lender recourse and other credit enhancement.

⁽³⁾ Expressed as a percentage of credit losses for the single-family mortgage credit book of business. For information on total credit losses, refer to Fannie Mae's 2009 Q1 Form 10-Q and 2008 Form 10-K.

Note: Categories are not mutually exclusive; numbers are not additive across columns. FICO scores reported in the table are those provided by the sellers of the mortgage loans at time of delivery.

* Excludes non-Fannie Mae securities held in portfolio and Alt-A and subprime wraps, for which Fannie Mae does not have loan-level information. Fannie Mae has access to detailed loan-level information on approximately 96% of our conventional single-family mortgage credit book of business. Certain data contained in this presentation are based upon information that Fannie Mae receives from third-party sources. Although Fannie Mae generally considers this information reliable, it does not guarantee that it is accurate or suitable for any particular purpose.

Fannie Mae Credit Profile by Vintage and Key Product Features

Credit Characteristics of Single-Family Conventional Mortgage Credit Book of Business by Vintage

As of March 31, 2009	Overall Book	Vintages					
		2009 Q1	2008	2007	2006	2005	2004 and Earlier
Unpaid Principal Balance (billions) *	\$2,760.7	\$127.8	\$443.4	\$512.9	\$355.7	\$341.0	\$979.9
Share of Single-Family Conventional Credit Book	100.0%	4.6%	16.1%	18.6%	12.9%	12.4%	35.5%
Average Unpaid Principal Balance	\$149,888	\$220,062	\$207,064	\$189,432	\$173,490	\$161,951	\$110,940
Serious Delinquency Rate	3.15%	0.00%	1.19%	6.77%	6.97%	3.94%	1.66%
Weighted Average Original Loan-to-Value Ratio	71.7%	66.8%	72.2%	76.5%	74.0%	71.8%	68.8%
Original Loan-to-Value Ratio > 90	9.9%	2.3%	9.5%	18.1%	10.8%	8.0%	7.2%
Weighted Average Mark-to-Market Loan-to-Value Ratio	73.4%	66.7%	77.5%	90.9%	90.8%	80.5%	54.3%
Mark-to-Market Loan-to-Value Ratio > 100	14.0%	0.0%	9.0%	30.0%	29.1%	18.9%	2.6%
Weighted Average FICO	725	762	740	714	716	723	724
FICO < 620	4.3%	0.3%	2.2%	6.5%	5.4%	4.2%	4.4%
FICO ≥ 620 and < 660	9.1%	1.4%	5.2%	12.2%	11.5%	9.8%	9.1%
Interest Only	7.5%	0.1%	5.1%	14.4%	16.4%	10.1%	1.7%
Negative-Amortizing	0.6%	0.0%	0.0%	0.1%	1.3%	1.5%	0.6%
Fixed-rate	90.5%	99.9%	93.3%	91.2%	86.5%	83.6%	91.6%
Primary Residence	89.8%	94.6%	89.1%	88.6%	86.9%	87.9%	91.7%
Condo/Co-op	9.3%	6.7%	11.0%	11.0%	11.2%	10.1%	7.1%
Credit Enhanced ⁽¹⁾	20.4%	8.7%	21.7%	31.0%	28.3%	20.9%	12.8%
% of 2007 Credit Losses ⁽²⁾	100.0%	0.0%	0.0%	1.9%	21.3%	23.6%	53.2%
% of 2008 Credit Losses ⁽²⁾	100.0%	0.0%	0.5%	27.9%	34.9%	19.3%	17.3%
% of 2008 Q3 Credit Losses ⁽²⁾	100.0%	0.0%	0.4%	31.3%	35.2%	18.3%	14.9%
% of 2008 Q4 Credit Losses ⁽²⁾	100.0%	0.0%	1.3%	32.0%	34.2%	17.7%	14.9%
% of 2009 Q1 Credit Losses ⁽²⁾	100.0%	0.0%	2.6%	34.0%	31.7%	17.6%	14.1%
Cumulative Default Rate ⁽³⁾	—	—	0.06%	1.08%	1.80%	1.30%	—

⁽¹⁾ Unpaid principal balance of all loans with credit enhancement as a percentage of unpaid principal balance of single-family conventional mortgage credit book of business. Includes primary mortgage insurance, pool insurance, lender recourse and other credit enhancement.

⁽²⁾ Expressed as a percentage of credit losses for the single-family mortgage credit book of business. For information on total credit losses, refer to Fannie Mae's 2009 Q1 Form 10-Q and 2008 Form 10-K.

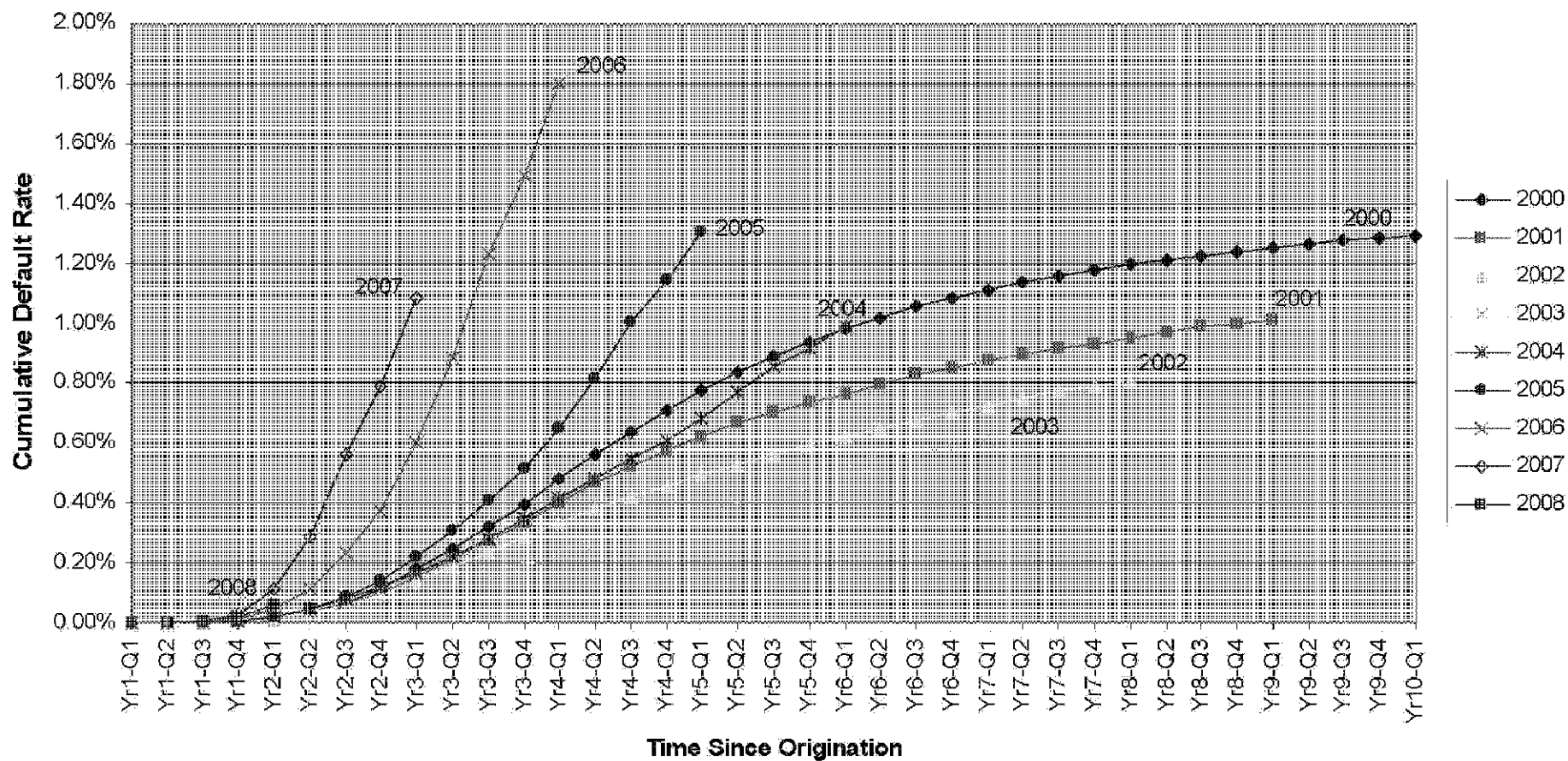
⁽³⁾ Default means loans that have been liquidated other than through voluntary pay-off or repurchase by lenders and include loan foreclosures, preforeclosure sales, sales to third parties and deeds in lieu of foreclosure. Cumulative Default Rate is total number of defaulted loans since origination divided by total originated loans. As of March 31, 2009, 2004 vintage cumulative default rate was 0.99% and 2003 vintage cumulative default rate was 0.62%.

Note: FICO scores reported in the table are those provided by the sellers of the mortgage loans at time of delivery.

* **Excludes non-Fannie Mae securities held in portfolio and Alt-A and subprime wraps, for which Fannie Mae does not have loan-level information. Fannie Mae has access to detailed loan-level information on approximately 96% of our conventional single-family mortgage credit book of business. Certain data contained in this presentation are based upon information that Fannie Mae receives from third-party sources. Although Fannie Mae generally considers this information reliable, it does not guarantee that it is accurate or suitable for any particular purpose.**

Single-Family Cumulative Default Rate

Originations from 2000 through 2008



Note: Cumulative default rates include loans that have been liquidated other than through voluntary pay-off or repurchase by lenders and include loan foreclosures, preforeclosure sales, sales to third parties and deeds in lieu of foreclosure.

Data as of March 31, 2009 is not necessarily indicative of the ultimate performance and are likely to change, perhaps materially, in future periods.

Fannie Mae Credit Profile by State

Credit Characteristics of Single-Family Conventional Mortgage Credit Book of Business by State

As of March 31, 2009	Overall Book	AZ	CA	FL	MI	NV	OH
Unpaid Principal Balance (billions) *	\$2,760.7	\$78.2	\$448.7	\$200.4	\$79.4	\$35.9	\$73.8
Share of Single-Family Conventional Credit Book	100.0%	2.8%	16.3%	7.3%	2.9%	1.3%	2.7%
Average Unpaid Principal Balance	\$149,888	\$160,234	\$204,733	\$145,396	\$117,961	\$179,116	\$107,025
Serious Delinquency Rate	3.15%	5.00%	3.33%	8.07%	3.37%	7.05%	3.17%
Origination Years 2005-2007	43.8%	58.7%	39.0%	58.0%	36.3%	58.7%	38.5%
Weighted Average Original Loan-to-Value Ratio	71.7%	73.6%	63.0%	73.3%	73.9%	74.4%	77.1%
Original Loan-to-Value Ratio > 90	9.9%	9.7%	2.9%	10.7%	9.8%	9.3%	15.2%
Weighted Average Mark-to-Market Loan-to-Value Ratio	73.4%	95.5%	74.8%	94.6%	85.8%	106.7%	72.6%
Mark-to-Market Loan-to-Value Ratio > 100	14.0%	42.3%	23.2%	43.1%	28.7%	57.3%	7.2%
Weighted Average FICO	725	726	733	718	722	724	721
FICO < 620	4.3%	3.5%	2.7%	5.3%	5.3%	3.1%	5.5%
FICO ≥ 620 and < 660	9.1%	9.1%	6.8%	10.7%	10.3%	9.1%	10.4%
Interest Only	7.5%	15.2%	12.4%	11.5%	4.6%	20.4%	2.9%
Negative Amortizing	0.6%	0.7%	2.2%	1.1%	0.2%	1.8%	0.1%
Fixed-rate	90.5%	85.4%	84.9%	87.2%	90.1%	77.6%	94.1%
Primary Residence	89.8%	83.5%	88.4%	81.8%	92.7%	80.2%	94.2%
Condo/Co-op	9.3%	5.5%	11.9%	15.6%	9.4%	7.7%	4.4%
Credit Enhanced ⁽¹⁾	20.4%	22.0%	11.8%	23.3%	19.2%	26.9%	26.6%
% of 2007 Credit Losses ⁽²⁾	100.0%	1.8%	7.2%	4.7%	26.1%	1.2%	13.1%
% of 2008 Credit Losses ⁽²⁾	100.0%	8.0%	25.2%	10.9%	12.5%	4.9%	3.7%
% of 2008 Q3 Credit Losses ⁽²⁾	100.0%	8.6%	31.1%	10.2%	10.9%	4.8%	3.1%
% of 2008 Q4 Credit Losses ⁽²⁾	100.0%	9.9%	19.5%	15.0%	9.1%	5.8%	3.2%
% of 2009 Q1 Credit Losses ⁽²⁾	100.0%	12.2%	26.3%	12.0%	6.9%	7.2%	2.0%
⁽¹⁾ Unpaid principal balance of all loans with credit enhancement as a percentage of unpaid principal balance of single-family conventional mortgage credit book of business. Includes primary mortgage insurance, pool insurance, lender recourse and other credit enhancement.							
⁽²⁾ Expressed as a percentage of credit losses for the single-family mortgage credit book of business. For information on total credit losses, refer to Fannie Mae's 2009 Q1 Form 10-Q and 2008 Form 10-K.							

Note: FICO scores reported in the table are those provided by the sellers of the mortgage loans at time of delivery.

* Excludes non-Fannie Mae securities held in portfolio and Alt-A and subprime wraps, for which Fannie Mae does not have loan-level information. Fannie Mae has access to detailed loan-level information on approximately 96% of our conventional single-family mortgage credit book of business. Certain data contained in this presentation are based upon information that Fannie Mae receives from third-party sources. Although Fannie Mae generally considers this information reliable, it does not guarantee that it is accurate or suitable for any particular purpose.

Single-Family Serious Delinquency Rates by State and Region

Serious Delinquency Rates by State

State	March 31, 2008	June 30, 2008	September 30, 2008	December 31, 2008	March 31, 2009
Arizona	1.12%	1.51%	2.14%	3.41%	5.00%
California	0.76%	1.05%	1.44%	2.30%	3.33%
Florida	2.32%	3.21%	4.37%	6.14%	8.07%
Michigan	1.46%	1.57%	1.86%	2.64%	3.37%
Nevada	1.69%	2.25%	3.08%	4.74%	7.05%
Ohio	1.87%	1.95%	2.19%	2.68%	3.17%
Total conventional single-family loans	1.15%	1.36%	1.72%	2.42%	3.15%

Serious Delinquency Rates by Region⁽¹⁾

Midwest	1.44%	1.57%	1.86%	2.44%	3.02%
Northeast	1.05%	1.21%	1.47%	1.97%	2.53%
Southeast	1.44%	1.80%	2.34%	3.27%	4.24%
Southwest	0.94%	1.08%	1.35%	1.98%	2.45%
West	0.72%	0.97%	1.33%	2.10%	3.06%
Total conventional single-family loans	1.15%	1.36%	1.72%	2.42%	3.15%

⁽¹⁾ For information on which states are contained within each region, refer to Fannie Mae's 2009 Q1 Form 10-Q.

Home Price Growth/Decline and Fannie Mae Real Estate Owned (REO) in Selected States

State	REO Acquisitions (Number of Properties)							REO Inventory as of March 31, 2008	REO Inventory as of March 31, 2009	1-Year HP Growth April 2008 to March 2009*	5-Year Annualized HP Growth April 2004 to March 2009*
	2007	2008	2008 Q1	2008 Q2	2008 Q3	2008 Q4	2009Q1				
Arizona	751	5,532	632	1,315	1,887	1,698	2,526	990	4,826	-26.4%	-0.4%
California	1,681	10,624	1,477	2,918	4,399	1,830	3,719	2,575	8,207	-22.4%	-3.0%
Florida	1,714	6,159	966	1,404	1,874	1,915	1,680	1,887	3,840	-25.2%	-1.9%
Michigan	8,067	11,749	3,259	3,035	3,418	2,037	2,415	9,125	9,551	-13.8%	-5.9%
Nevada	530	2,906	403	686	1,006	812	1,210	711	2,405	-30.1%	-4.6%
Ohio	4,433	5,289	1,239	1,424	1,485	1,141	713	3,084	2,578	-4.5%	-0.8%
All other States	31,945	52,393	12,132	13,181	15,515	11,565	13,111	24,795	30,964	-5.6%	2.3%
Total	49,121	94,652	20,108	23,963	29,583	20,998	25,374	43,167	62,371	-9.7%	0.9%

*Initial estimate based on purchase transactions in Fannie-Freddie acquisition and public deed data available through the end of March 2009, supplemented by preliminary data available for home sales scheduled to be settled in April and May 2009. Including subsequent data may lead to materially different results.

Foreclosure levels in the fourth quarter of 2008 and the first quarter of 2009 were below what they otherwise would have been due to the suspension of foreclosure acquisitions on occupied single-family properties between the periods November 26, 2008 through January 31, 2009 and February 17, 2009 through March 6, 2009.

On a national basis, REO net sales prices compared with unpaid principal balances of mortgage loans have decreased as follows, driving increases in loss severities:

- 74% in 2008 Q1
- 74% in 2008 Q2
- 70% in 2008 Q3
- 61% in 2008 Q4
- 57% in 2009 Q1

Fannie Mae Alt-A Credit Profile by Key Product Features

Credit Characteristics of Alt-A Single-Family Mortgage Credit Book of Business by Vintage

As of March 31, 2009	Alt-A ⁽¹⁾	Vintage				
		2008	2007	2006	2005	2004 and Earlier
Unpaid principal balance (billions) *	\$283.5	\$6.8	\$73.3	\$80.0	\$53.4	\$70.0
Share of Alt-A	100.0%	2.4%	25.9%	28.2%	18.8%	24.7%
Weighted Average Original Loan-to-Value Ratio	72.7%	68.3%	74.9%	74.0%	72.5%	69.7%
Original Loan-to-Value Ratio > 90	5.3%	2.2%	8.9%	4.8%	3.2%	4.2%
Weighted Average Mark-to-Market Loan-to-Value Ratio	86.3%	73.8%	98.3%	98.5%	89.9%	60.1%
Mark-to-Market Loan-to-Value Ratio > 100	27.9%	8.6%	37.3%	38.7%	30.6%	5.6%
Weighted Average FICO	719	729	713	715	725	723
FICO < 620	0.7%	0.2%	0.5%	0.5%	0.4%	1.4%
FICO ≥ 620 and < 680	8.8%	2.1%	10.7%	10.6%	6.6%	7.2%
Adjustable rate	27.8%	10.3%	22.4%	30.2%	40.3%	22.7%
Interest Only	29.7%	7.3%	38.4%	38.9%	30.1%	12.0%
Negative Amortizing	2.8%	0.0%	0.0%	3.8%	6.6%	1.9%
Investor	17.3%	17.7%	19.5%	17.0%	19.3%	13.7%
Condo/Co-op	10.8%	8.7%	10.0%	11.8%	13.1%	9.3%
California	21.8%	20.1%	22.0%	19.8%	20.7%	24.9%
Florida	11.1%	8.6%	11.8%	12.8%	12.3%	7.7%
Credit Enhanced ⁽²⁾	38.7%	13.1%	35.9%	53.3%	46.7%	21.5%
2008 Q1 Serious Delinquency Rate	2.86%	0.00%	2.85%	4.34%	3.23%	1.79%
2008 Q2 Serious Delinquency Rate	3.79%	0.19%	4.37%	5.60%	3.94%	1.97%
2008 Q3 Serious Delinquency Rate	4.92%	0.94%	6.29%	7.27%	4.79%	2.30%
2008 Q4 Serious Delinquency Rate	7.03%	2.14%	9.61%	10.24%	6.64%	3.06%
2009 Q1 Serious Delinquency Rate	9.54%	4.20%	13.51%	13.67%	8.66%	3.57%
% of 2007 Credit Losses ⁽³⁾	27.8%	0.0%	0.7%	9.8%	9.7%	7.7%
% of 2008 Credit Losses ⁽³⁾	45.6%	0.0%	12.4%	20.2%	9.7%	3.4%
% of 2008 Q3 Credit Losses ⁽³⁾	47.6%	0.0%	14.0%	20.9%	9.7%	3.1%
% of 2008 Q4 Credit Losses ⁽³⁾	43.2%	0.1%	13.1%	18.8%	8.2%	2.3%
% of 2009 Q1 Credit Losses ⁽³⁾	39.2%	0.5%	31.1%	41.3%	19.6%	7.5%
Cumulative Default Rate ⁽⁴⁾	—	0.15%	2.52%	3.63%	2.62%	—

⁽¹⁾ "Alt-A mortgage loan" generally refers to a mortgage loan that can be underwritten with reduced or alternative documentation than that required for a full documentation mortgage loan but may also include other alternative product features. In reporting our Alt-A exposure, we have classified mortgage loans as Alt-A if the lenders that deliver the mortgage loans to us have classified the loans as Alt-A based on documentation or other product features. We have classified private-label mortgage-related securities held in our investment portfolio as Alt-A if the securities were labeled as such when issued. We omitted the 2009 vintage column because only one Alt-A loan originating in 2009 has been acquired as of March 31, 2009.

⁽²⁾ Defined as unpaid principal balance of Alt-A loans with credit enhancement as a percentage of unpaid principal balance of all Alt-A loans. At March 31, 2009, 8.7% of unpaid principal balance of Alt-A loans carried only primary mortgage insurance (no deductible), 26.3% had only pool insurance (which is generally subject to a deductible), 3.1% had primary mortgage insurance and pool insurance, and 0.6% carried other credit enhancement such as lender recourse.

⁽³⁾ Expressed as a percentage of credit losses for the single-family mortgage credit book of business, except for 2008 Q1, for which the vintages are expressed as a percentage of credit losses only for the Alt-A portion of the single-family mortgage credit book of business. For information on total credit losses, refer to Fannie Mae's 2009 Q1 Form 10-Q and 2008 Form 10-K.

⁽⁴⁾ Default loans means loans that have been liquidated other than through voluntary pay-off or repurchase by lenders and include loan foreclosures, preforeclosure sales, sales to third parties and deeds in lieu of foreclosure.

Note: FICO scores reported in the table are those provided by the sellers of the mortgage loans at time of delivery.

* Excludes non-Fannie Mae securities held in portfolio and Alt-A and subprime wraps, for which Fannie Mae does not have loan-level information. Fannie Mae has access to detailed loan-level information on approximately 96% of our conventional single-family mortgage credit book of business. Certain data contained in this presentation are based upon information that Fannie Mae receives from third-party sources. Although Fannie Mae generally considers this information reliable, it does not guarantee that it is accurate or suitable for any particular purpose.

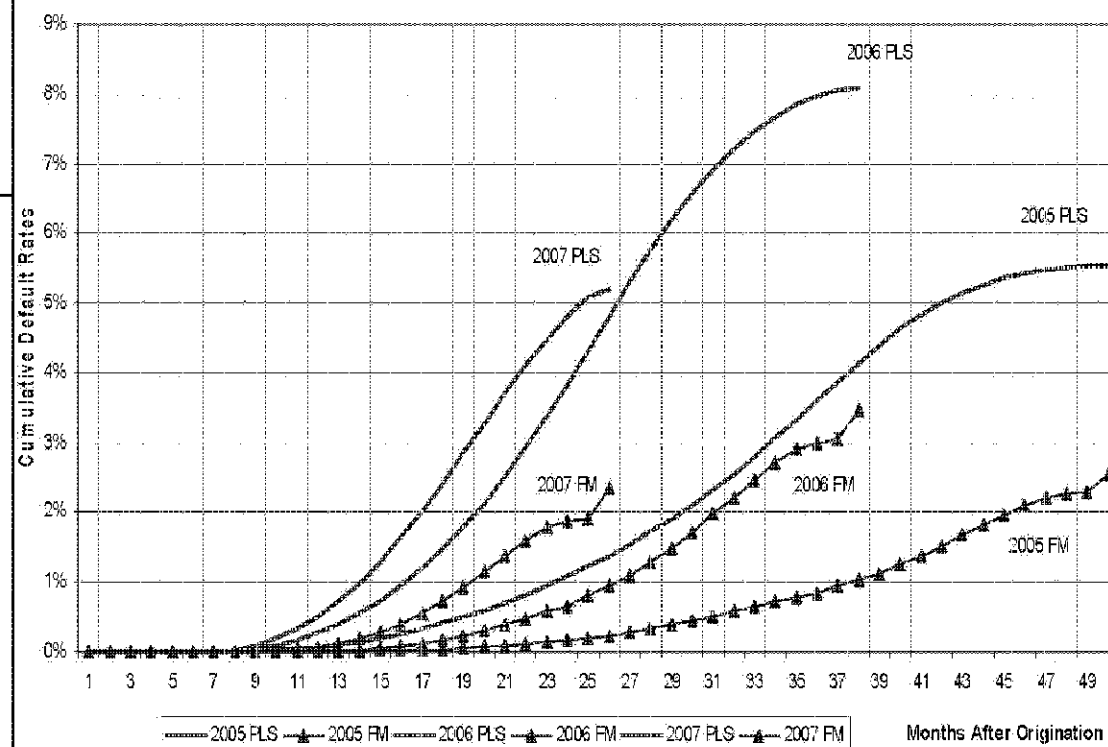
Fannie Mae Alt-A Loans Versus Loans Underlying Private-Label Alt-A Securities

Fannie Mae Alt-A Versus Private-Label Security Conforming Alt-A

	<u>Fannie Mae Alt-A</u> Outstanding Alt-A loans in Fannie Mae's Single- Family Guaranty Book of Business as of February 2009	<u>Private-Label Alt-A</u> Outstanding loans backing non-agency conforming Alt-A MBS as of February 2009
FICO	719	710
Original Loan-to-Value Ratio	73%	75%
Combined Loan-to-Value Ratio at Origination ⁽¹⁾	77%	81%
Geography		
California	22%	27%
Florida	11%	13%
Product Type		
Fixed Rate	72%	51%
Adjustable-Rate	28%	49%
Interest-Only	20%	25%
Negative-Amortizing	3%	19%
Investor	17%	21%

⁽¹⁾ Includes first liens and any subordinate liens present at origination.

Cumulative Default Rates For Fannie Mae Alt-A And Private-Label Alt-A For 2005, 2006 and 2007 Cohorts

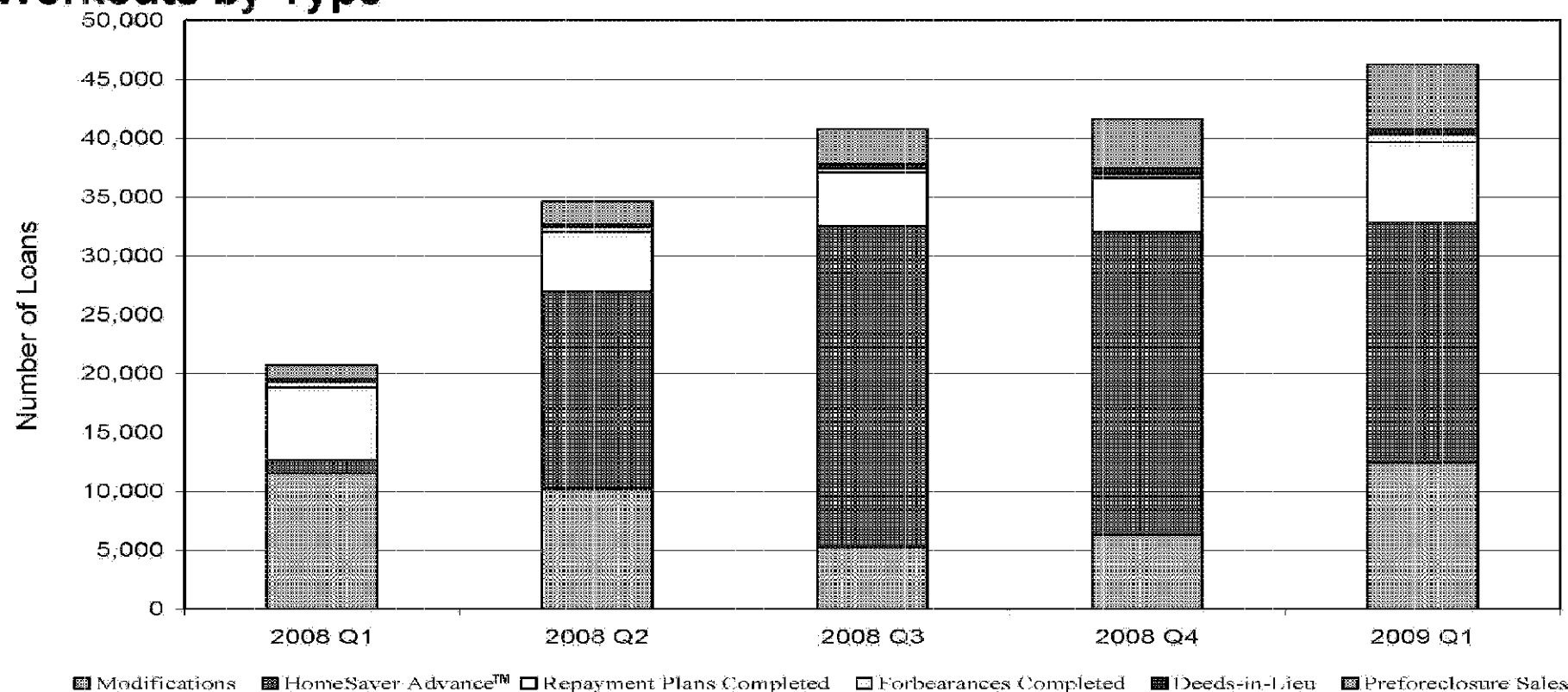


Data as of Feb-09 is not necessarily indicative of the ultimate performance and are likely to change, perhaps materially, in future periods.

Fannie Mae's Cumulative Default Rates in the fourth quarter of 2008 and the first quarter of 2009 reflect the impact of the suspension of foreclosure acquisitions on occupied single-family properties between the periods November 26, 2008 through January 31, 2009 and February 17, 2009 through March 6, 2009.

Private-label securities data source: First American CoreLogic, LoanPerformance data, which estimates it captures 97% of Alt-A private-label securities. The private-label securities data include some loans that Fannie Mae holds in its Alt-A securities portfolio.

Workouts by Type



- (1) Modifications involve changes to the original mortgage loan terms, that may include a change to the product type, interest rate, amortization term, maturity date and/or unpaid principal balance.
- (2) HomeSaver Advance™ are unsecured, personal loans to help qualified borrowers bring their delinquent mortgage loans current after a temporary financial difficulty.
- (3) Repayment plans involve plans to repay past due principal and interest over a reasonable period of time through temporarily higher monthly payments. Loans with repayment plans are included for loans that were at least 60 days delinquent.
- (4) Forbearances involve an agreement to suspend or reduce borrower payments for a period of time. Loans with forbearance plans are included for loans that were at least 90 days delinquent.
- (5) In a preforeclosure sale, the borrower, working with the servicer, sells the home and pays off all or part of the outstanding loan, accrued interest and other expenses from the sale proceeds.
- (6) Deeds in lieu of foreclosure involve the borrower voluntarily signing over title to the property without the added expense of a foreclosure proceeding.

Fannie Mae Multifamily Credit Profile

Multifamily Guaranty Book of Business

As of March 31, 2009	Unpaid Principal Balance (billions)	Share of Multifamily Guaranty Book of Business	% Seriously Delinquent ⁽³⁾
Multifamily Guaranty Book of Business ^{(1) (2)}	\$172.57	100%	0.34%
By Acquisition Year:			
2009	\$10.14	6%	0.00%
2008	\$31.36	18%	0.18%
2007	\$43.52	25%	0.51%
2006	\$19.45	11%	0.44%
2005	\$17.57	10%	0.20%
2004 and Earlier	\$50.53	29%	0.39%
Originating loan-to-value ratio:			
Less than or equal to 80%	\$164.70	95%	0.33%
Greater than 80%	\$7.87	5%	0.69%
Loan Size Distribution:			
Less than or equal to \$750K	\$5.48	3%	0.69%
Greater than \$750K or less than or equal to \$3M	\$23.59	14%	0.54%
Greater than \$3M or less than or equal to \$5M	\$17.10	10%	0.51%
Greater than \$5M or less than or equal to \$25M	\$69.08	40%	0.49%
Greater \$25M	\$57.32	33%	0.00%
Maturity Dates:			
Loans maturing in 2009	\$10.88	6%	0.07%
Loans maturing in 2010	\$4.31	3%	0.07%
Loans maturing in 2011	\$8.79	5%	0.32%
Loans maturing in 2012	\$16.24	9%	0.38%
Loans maturing in 2013	\$19.55	11%	0.26%

(1) Excludes loans that have been defeased. Defeasance is prepayment of a loan through substitution of collateral, such as Treasury securities.

(2) Represents the portion for which Fannie Mae has access to detailed loan-level information. Certain data are based upon information received from third-party sources, and although Fannie Mae generally considers this information reliable, it does not guarantee that it is accurate or suitable for any particular purpose.

(3) Includes multifamily loans and securities that are 60 days or more past due.

Fannie Mae

2009 Second Quarter Credit Supplement



August 6, 2009

- **These materials present tables and other information about Fannie Mae, including information contained in Fannie Mae's Quarterly Report on Form 10-Q for the quarter ended June 30, 2009, the "2009 Q2 Form 10-Q." Some of the terms used in these materials are defined and discussed more fully in the 2009 Q2 Form 10-Q and Fannie Mae's Annual Report on Form 10-K for the year ended December 31, 2008, "2008 Form 10-K." These materials should be reviewed together with the 2009 Q2 Form 10-Q and 2008 Form 10-K, copies of which are available on Fannie Mae's Web site at www.fanniemae.com in the "Investor Relations" section of the Web site.**
- **This presentation includes forward-looking statements relating to future home price declines. These statements are based on our opinions, analyses, estimates, forecasts and other views on a variety of economic and other information, and changes in the assumptions and other information underlying these views could produce materially different results. The impact of future home price declines on our business, results or financial condition will depend on many other factors.**

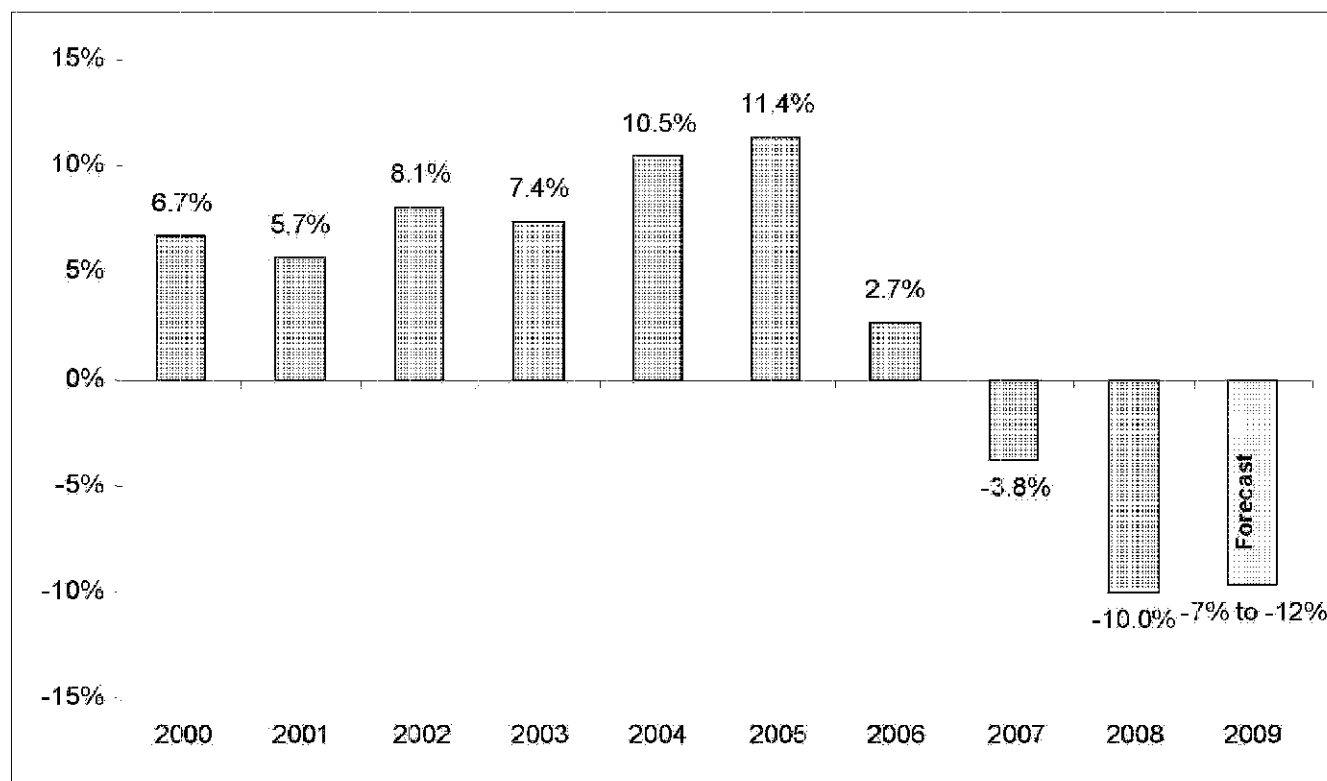
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Home Price Growth/Decline Rates in the U.S.

Fannie Mae Home Price Index



S&P/Case-Shiller Index	9.8%	7.7%	10.6%	10.7%	14.6%	14.7%	-0.3%	-8.7%	-18.2%
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Growth rates are from period-end to period-end.

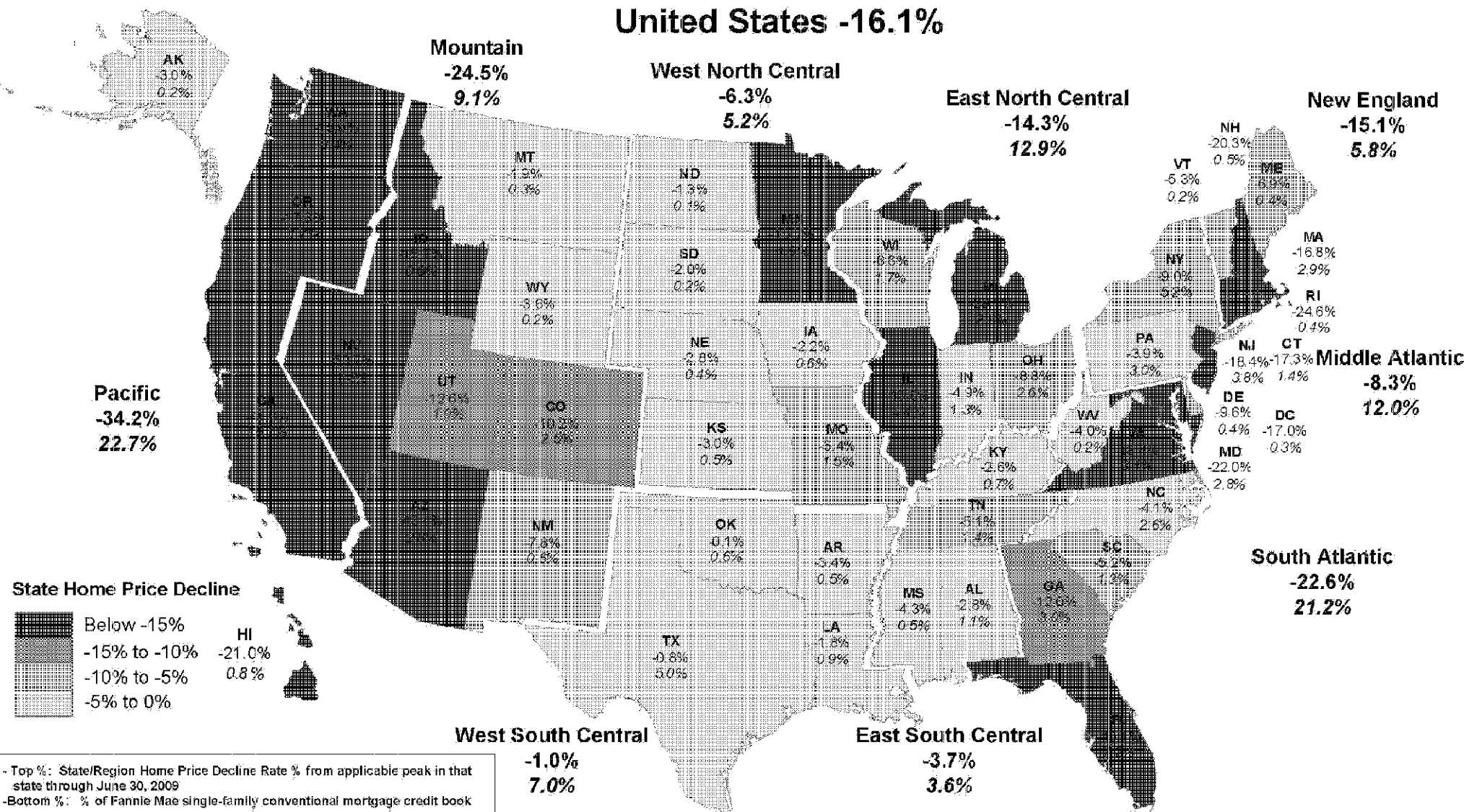
- We expect 2009 home price declines to be in the 7% to 12% range based upon the Fannie Mae Home Price Index. This 7% to 12% range is comparable to a 12% to 18% range using the S&P/Case-Shiller index method.
- We expect peak-to-trough declines in home prices to be in the 20% to 30% range (comparable to a 33% to 46% range using the S&P/Case-Shiller index method).
- Based on the observed home price trend during the first half of 2009, we expect future home price declines to be on the lower end of our estimated ranges.

Note: Our estimates differ from the S&P/Case-Shiller index in two principal ways: (1) our estimates weight expectations for each individual property by number of properties, whereas the S&P/Case-Shiller index weights expectations of home price declines based on property value, causing declines in home prices on higher priced homes to have a greater effect on the overall result; and (2) our estimates do not include known sales of foreclosed homes because we believe that differing maintenance practices and the forced nature of the sales make foreclosed home prices less representative of market values, whereas the S&P/Case-Shiller index includes sales of foreclosed homes. The S&P/Case-Shiller comparison numbers shown above for 2009 and peak-to-trough forecasts are calculated using our models and assumptions, but modified to use these two factors (weighting of expectations based on property value and the inclusion of foreclosed property sales). In addition to these differences, our estimates are based on our own internally available data combined with publicly available data, and are therefore based on data collected nationwide, whereas the S&P/Case-Shiller index is based only on publicly available data, which may be limited in certain geographic areas of the country. Our comparative calculations to the S&P/Case-Shiller index provided above are not modified to account for this data pool difference.

Home Price Declines Peak-to-Current (by State) as of 2009 Q2

Percentage of Fannie Mae's Single-Family Conventional Mortgage Credit Book of Business

United States -16.1%



Note: Regional home price decline percentages are a housing stock unit-weighted average of home price decline percentages of states within each region.

Source: Fannie Mae. Initial estimate based on purchase transactions in Fannie-Freddie acquisition and public deed data available through the end of June 2009. Including subsequent data may lead to materially different results.

Fannie Mae Credit Profile by Key Product Features

Credit Characteristics of Single-Family Conventional Mortgage Credit Book of Business

As of June 30, 2009	Categories Not Mutually Exclusive ⁽¹⁾								Sub-total of Key Product Features ⁽¹⁾	Overall Book
	Negative-Amortizing Loans	Interest-Only Loans	Loans with FICO < 620 ⁽³⁾	Loans with FICO ≥ 620 and < 650 ⁽³⁾	Loans with Original LTV Ratio > 90%	Loans with FICO < 620 and Original LTV Ratio > 90% ⁽³⁾	Alt-A Loans	Subprime Loans		
Unpaid Principal Balance (billions) ⁽²⁾	\$15.4	\$195.9	\$115.6	\$242.3	\$265.3	\$25.4	\$269.3	\$7.9	\$878.2	\$2,744.2
Share of Single-Family Conventional Credit Book	0.6%	7.1%	4.2%	8.8%	9.7%	0.9%	9.8%	0.3%	32.0%	100.0%
Average Unpaid Principal Balance	\$137,513	\$242,048	\$125,165	\$140,431	\$141,622	\$118,569	\$168,784	\$149,358	\$152,814	\$150,966
Serious Delinquency Rate	8.48%	15.09%	13.07%	9.13%	9.66%	21.37%	11.91%	21.75%	9.36%	3.94%
Origination Years 2005-2007	61.3%	80.7%	55.8%	54.1%	56.8%	69.5%	73.3%	80.8%	60.6%	40.5%
Weighted Average Original Loan-to-Value Ratio	71.2%	75.8%	76.7%	77.4%	97.2%	98.1%	72.9%	77.2%	79.3%	71.6%
Original Loan-to-Value Ratio > 90%	0.3%	9.3%	22.0%	20.9%	100.0%	100.0%	5.4%	6.8%	30.2%	9.7%
Weighted Average Mark-to-Market Loan-to-Value Ratio	97.5%	103.2%	80.4%	82.2%	101.9%	101.5%	89.0%	93.8%	88.6%	74.0%
Mark-to-Market Loan-to-Value Ratio > 100% and ≤ 125%	15.6%	23.1%	13.4%	13.9%	29.8%	31.2%	14.8%	17.0%	17.7%	9.1%
Mark-to-Market Loan-to-Value Ratio > 125%	33.0%	22.4%	6.6%	8.0%	13.2%	12.2%	15.3%	14.3%	11.4%	5.3%
Weighted Average FICO ⁽³⁾	702	724	588	641	695	592	718	623	686	727
FICO < 620 ⁽³⁾	9.1%	1.3%	100.0%	0.0%	9.6%	100.0%	0.7%	48.0%	13.2%	4.2%
Fixed-rate	0.2%	39.6%	93.4%	92.2%	94.2%	95.5%	72.2%	74.4%	80.9%	91.1%
Primary Residence	69.7%	84.7%	96.7%	94.3%	97.2%	99.4%	77.3%	96.6%	89.3%	89.8%
Condo/Co-op	13.8%	16.5%	4.9%	6.6%	9.9%	6.0%	10.9%	4.6%	9.7%	9.3%
Credit Enhanced ⁽⁴⁾	74.4%	35.6%	33.5%	35.1%	91.0%	92.7%	38.9%	63.1%	43.9%	19.5%
% of 2007 Credit Losses ⁽⁵⁾	0.9%	15.0%	18.8%	21.9%	17.4%	6.4%	27.8%	1.0%	72.3%	100.0%
% of 2008 Credit Losses ⁽⁵⁾	2.9%	34.2%	11.8%	17.4%	21.3%	5.4%	45.6%	2.0%	81.3%	100.0%
% of 2008 Q3 Credit Losses ⁽⁵⁾	3.8%	36.2%	11.3%	16.8%	21.5%	5.4%	47.6%	2.1%	82.4%	100.0%
% of 2008 Q4 Credit Losses ⁽⁵⁾	2.2%	33.1%	11.5%	17.2%	23.1%	5.2%	43.2%	2.0%	81.0%	100.0%
% of 2009 Q1 Credit Losses ⁽⁵⁾	1.8%	34.2%	10.7%	16.0%	22.5%	6.5%	39.2%	2.0%	77.7%	100.0%
% of 2009 Q2 Credit Losses ⁽⁵⁾	2.2%	32.2%	9.2%	16.0%	19.7%	5.7%	41.2%	1.1%	76.0%	100.0%

- (1) Loans with multiple product features are included in all applicable categories. The subtotal is calculated by counting a loan only once even if it is included in multiple categories.
- (2) Excludes non-Fannie Mae securities held in portfolio and Alt-A and subprime wraps, for which Fannie Mae does not have loan-level information. Fannie Mae has access to detailed loan-level information on approximately 95% of its conventional single-family mortgage credit book of business. Certain data contained in this presentation are based upon information that Fannie Mae receives from third-party sources. Although Fannie Mae generally considers this information reliable, it does not guarantee that it is accurate or suitable for any particular purpose.
- (3) FICO Credit scores reported in the table are those provided by the sellers of the mortgage loans at time of delivery.
- (4) Unpaid principal balance of all loans with credit enhancement as a percentage of unpaid principal balance of single-family conventional mortgage credit book of business for which Fannie Mae has access to loan-level information. Includes primary mortgage insurance, pool insurance, lender recourse and other credit enhancement.
- (5) Expressed as a percentage of credit losses for the single-family mortgage credit book of business. For information on total credit losses, refer to Fannie Mae's 2009 Q2 Form 10-Q and 2008 Form 10-K.

Fannie Mae Credit Profile by Vintage and Key Product Features

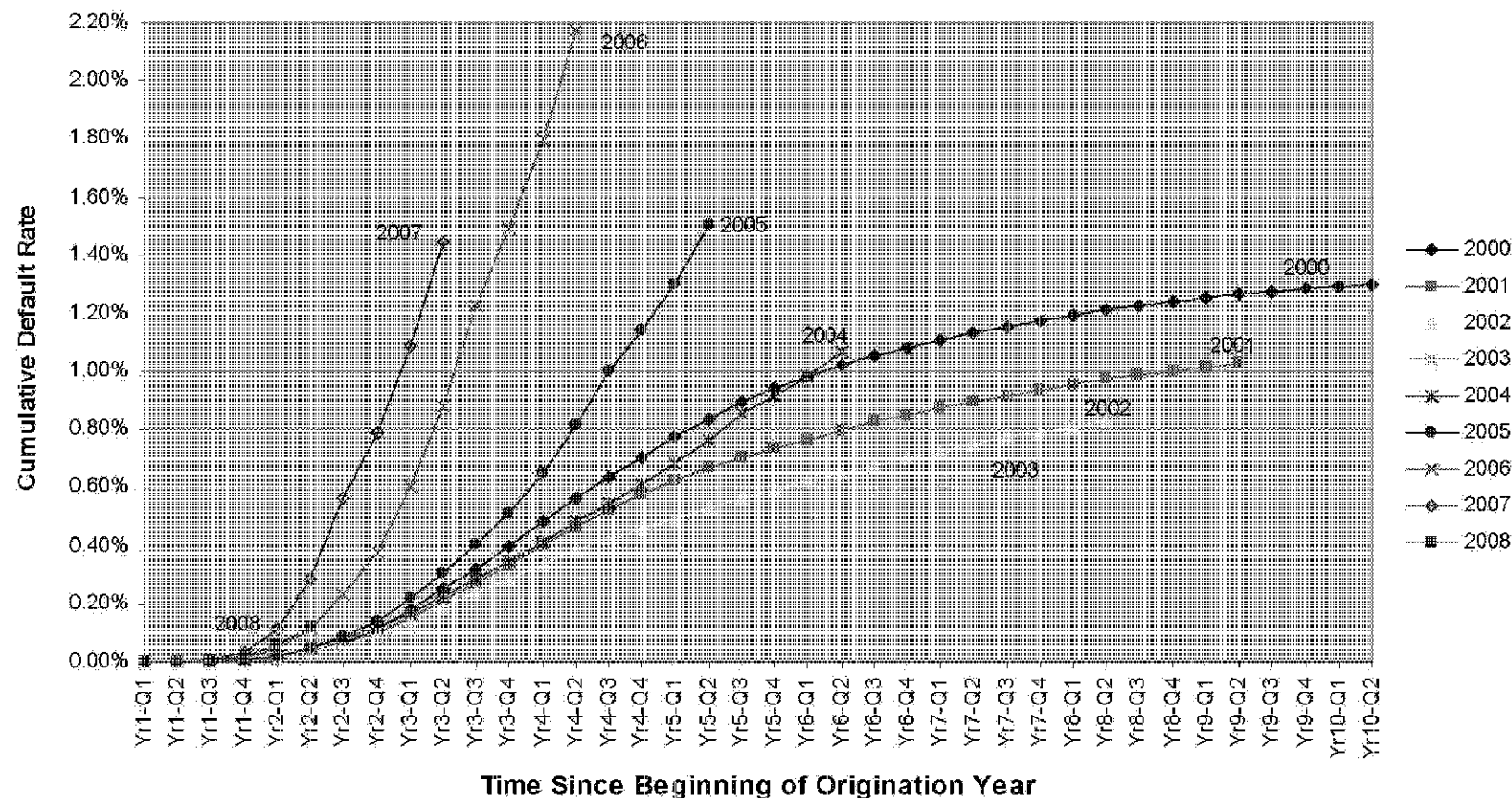
Credit Characteristics of Single-Family Conventional Mortgage Credit Book of Business by Vintage

As of June 30, 2009	Overall Book	Vintages					
		2009	2008	2007	2006	2005	2004 and Earlier
Unpaid Principal Balance (billions) ⁽¹⁾	\$2,744.2	\$329.2	\$399.3	\$469.4	\$324.7	\$317.6	\$904.0
Share of Single-Family Conventional Credit Book	100.0%	12.0%	14.5%	17.1%	11.8%	11.6%	32.9%
Average Unpaid Principal Balance	\$150,966	\$218,173	\$202,209	\$187,377	\$171,563	\$160,062	\$108,759
Serious Delinquency Rate	3.94%	0.01%	1.95%	9.22%	9.05%	5.09%	2.10%
Weighted Average Original Loan-to-Value Ratio	71.6%	66.0%	72.7%	77.1%	74.4%	72.0%	69.0%
Original Loan-to-Value Ratio > 90%	9.7%	2.3%	10.0%	18.8%	11.2%	8.2%	7.4%
Weighted Average Mark-to-Market Loan-to-Value Ratio	74.0%	66.1%	78.5%	93.6%	93.9%	82.4%	54.6%
Mark-to-Market Loan-to-Value Ratio >100% and <=125%	9.1%	0.2%	9.2%	20.6%	16.7%	12.2%	2.4%
Mark-to-Market Loan-to-Value Ratio >125%	5.3%	0.0%	1.5%	11.8%	15.2%	8.8%	0.7%
Weighted Average FICO ⁽²⁾	727	763	738	712	714	722	723
FICO < 620 ⁽²⁾	4.2%	0.3%	2.4%	6.9%	5.7%	4.3%	4.5%
Interest Only	7.1%	0.2%	5.3%	15.0%	16.9%	10.2%	1.7%
Negative-Amortizing	0.6%	0.0%	0.0%	0.1%	1.3%	1.5%	0.7%
Fixed-rate	91.1%	99.6%	93.2%	90.9%	86.1%	83.5%	91.5%
Primary Residence	89.8%	93.9%	88.7%	88.3%	86.6%	87.7%	91.5%
Condo/Co-op	9.3%	7.0%	11.2%	11.2%	11.5%	10.2%	7.2%
Credit Enhanced ⁽³⁾	19.5%	7.1%	22.6%	31.9%	29.0%	20.9%	12.3%
% of 2007 Credit Losses ⁽⁴⁾	100.0%	—	—	1.9%	21.3%	23.6%	53.2%
% of 2008 Credit Losses ⁽⁴⁾	100.0%	—	0.5%	27.9%	34.9%	19.3%	17.3%
% of 2008 Q3 Credit Losses ⁽⁴⁾	100.0%	—	0.4%	31.3%	35.2%	18.3%	14.9%
% of 2008 Q4 Credit Losses ⁽⁴⁾	100.0%	—	1.3%	32.0%	34.2%	17.7%	14.9%
% of 2009 Q1 Credit Losses ⁽⁴⁾	100.0%	0.0%	2.6%	34.0%	31.7%	17.6%	14.1%
% of 2009 Q2 Credit Losses ⁽⁴⁾	100.0%	0.0%	4.3%	34.6%	31.7%	16.6%	12.7%
Cumulative Default Rate ⁽⁵⁾	—	—	0.12%	1.45%	2.17%	1.50%	—

- (1) Excludes non-Fannie Mae securities held in portfolio and Alt-A and subprime wraps, for which Fannie Mae does not have loan-level information. Fannie Mae has access to detailed loan-level information on approximately 95% of its conventional single-family mortgage credit book of business. Certain data contained in this presentation are based upon information that Fannie Mae receives from third-party sources. Although Fannie Mae generally considers this information reliable, it does not guarantee that it is accurate or suitable for any particular purpose.
- (2) FICO Credit scores reported in the table are those provided by the sellers of the mortgage loans at time of delivery.
- (3) Unpaid principal balance of all loans with credit enhancement as a percentage of unpaid principal balance of single-family conventional mortgage credit book of business for which Fannie Mae has access to loan-level information. Includes primary mortgage insurance, pool insurance, lender recourse and other credit enhancement.
- (4) Expressed as a percentage of credit losses for the single-family mortgage credit book of business. For information on total credit losses, refer to Fannie Mae's 2009 Q2 Form 10-Q and 2008 Form 10-K.
- (5) Includes loan liquidations other than through voluntary pay-off or repurchase by lenders and includes loan foreclosures, preforeclosure sales, sales to third parties and deeds in lieu of foreclosure. Cumulative Default Rate is the total number of defaulted loans since origination divided by total originated loans. As of June 30, 2009, 2004 vintage cumulative default rate was 1.07% and 2003 vintage cumulative default rate was 0.65%.

Fannie Mae Single-Family Cumulative Default Rate

Overall Originations from 2000 through 2009 Q2



Note: Defaults include loan liquidations other than through voluntary pay-off or repurchase by lenders and include loan foreclosures, preforeclosure sales, sales to third parties and deeds in lieu of foreclosure. Cumulative Default Rate is the total number of defaulted loans since origination divided by total originated loans.

Data as of June 30, 2009 is not necessarily indicative of the ultimate performance and are likely to change, perhaps materially, in future periods.

Fannie Mae Credit Profile by State

Credit Characteristics of Single-Family Conventional Mortgage Credit Book of Business by State

As of June 30, 2009	Overall Book	AZ	CA	FL	MI	NV	OH
Unpaid Principal Balance (billions) ⁽¹⁾	\$2,744.2	\$77.1	\$457.0	\$198.1	\$78.1	\$35.4	\$72.2
Share of Single-Family Conventional Credit Book	100.0%	2.8%	16.7%	7.2%	2.8%	1.3%	2.6%
Average Unpaid Principal Balance	\$150,966	\$160,011	\$207,346	\$145,116	\$117,702	\$178,319	\$106,649
Serious Delinquency Rate	3.94%	6.54%	4.23%	9.71%	4.31%	9.33%	3.73%
Origination Years 2005-2007	40.5%	56.2%	36.1%	56.6%	34.6%	57.2%	36.0%
Weighted Average Original Loan-to-Value Ratio	71.6%	73.7%	63.2%	73.3%	74.0%	74.5%	77.0%
Original Loan-to-Value Ratio > 90%	9.7%	9.7%	2.9%	10.5%	9.8%	9.2%	15.0%
Weighted Average Mark-to-Market Loan-to-Value Ratio	74.0%	99.1%	77.1%	98.3%	86.0%	112.3%	72.0%
Mark-to-Market Loan-to-Value Ratio >100% and <=125%	9.1%	20.9%	13.4%	21.2%	23.3%	21.5%	6.5%
Mark-to-Market Loan-to-Value Ratio >125%	5.3%	23.1%	11.2%	24.6%	5.9%	38.9%	0.0%
Weighted Average FICO ⁽²⁾	727	727	735	719	722	725	722
FICO < 620 ⁽²⁾	4.2%	3.5%	2.6%	5.2%	5.2%	3.0%	5.5%
Interest Only	7.1%	14.7%	11.8%	11.3%	4.5%	20.0%	2.8%
Negative Amortizing	0.6%	0.7%	2.0%	1.1%	0.2%	1.8%	0.1%
Fixed-rate	91.1%	86.0%	85.9%	87.5%	90.5%	78.2%	94.4%
Primary Residence	89.8%	83.5%	88.5%	81.9%	92.7%	80.3%	94.2%
Condo/Co-op	9.3%	5.4%	11.9%	15.5%	9.3%	7.6%	4.4%
Credit Enhanced ⁽³⁾	19.5%	21.4%	11.2%	22.6%	18.6%	26.0%	25.5%
% of 2007 Credit Losses ⁽⁴⁾	100.0%	1.8%	7.2%	4.7%	26.1%	1.2%	13.1%
% of 2008 Credit Losses ⁽⁴⁾	100.0%	8.0%	25.2%	10.9%	12.5%	4.9%	3.7%
% of 2008 Q3 Credit Losses ⁽⁴⁾	100.0%	8.6%	31.1%	10.2%	10.9%	4.8%	3.1%
% of 2008 Q4 Credit Losses ⁽⁴⁾	100.0%	9.9%	19.5%	15.0%	9.1%	5.8%	3.2%
% of 2009 Q1 Credit Losses ⁽⁴⁾	100.0%	12.2%	26.3%	12.0%	6.9%	7.2%	2.0%
% of 2009 Q2 Credit Losses ⁽⁴⁾	100.0%	11.0%	24.7%	14.6%	7.9%	6.3%	2.3%

- (1) Excludes non-Fannie Mae securities held in portfolio and Alt-A and subprime wraps, for which Fannie Mae does not have loan-level information. Fannie Mae has access to detailed loan-level information on approximately 95% of its conventional single-family mortgage credit book of business. Certain data contained in this presentation are based upon information that Fannie Mae receives from third-party sources. Although Fannie Mae generally considers this information reliable, it does not guarantee that it is accurate or suitable for any particular purpose.
- (2) FICO Credit scores reported in the table are those provided by the sellers of the mortgage loans at time of delivery.
- (3) Unpaid principal balance of all loans with credit enhancement as a percentage of unpaid principal balance of single-family conventional mortgage credit book of business for which Fannie Mae has access to loan-level information. Includes primary mortgage insurance, pool insurance, lender recourse and other credit enhancement.
- (4) Expressed as a percentage of credit losses for the single-family mortgage credit book of business. For information on total credit losses, refer to Fannie Mae's 2009 Q2 Form 10-Q and 2008 Form 10-K.

Fannie Mae Single-Family Serious Delinquency Rates by State and Region

Serious Delinquency Rates by State					
	June 30, 2008	September 30, 2008	December 31, 2008	March 31, 2009	June 30, 2009
Arizona	1.51%	2.14%	3.41%	5.00%	6.54%
California	1.05%	1.44%	2.30%	3.33%	4.23%
Florida	3.21%	4.37%	6.14%	8.07%	9.71%
Michigan	1.57%	1.86%	2.64%	3.37%	4.31%
Nevada	2.25%	3.08%	4.74%	7.05%	9.33%
Ohio	1.95%	2.19%	2.68%	3.17%	3.73%
Total conventional single-family loans	1.36%	1.72%	2.42%	3.15%	3.94%
Serious Delinquency Rates by Region ⁽¹⁾					
Midwest	1.57%	1.86%	2.44%	3.02%	3.71%
Northeast	1.21%	1.47%	1.97%	2.53%	3.20%
Southeast	1.80%	2.34%	3.27%	4.24%	5.21%
Southwest	1.08%	1.35%	1.98%	2.45%	3.07%
West	0.97%	1.33%	2.10%	3.06%	3.96%
Total conventional single-family loans	1.36%	1.72%	2.42%	3.15%	3.94%

(1) For information on which states are included in each region, refer to Fannie Mae's 2009 Q2 Form 10-Q.

Home Price Growth/Decline and Fannie Mae Real Estate Owned (REO) in Selected States

State	REO Acquisitions (Number of Properties)						REO Inventory as of June 30, 2008	REO Inventory as of June 30, 2009	1-Year HP Growth July 2008 to June 2009 ⁽²⁾	5-Year Annualized HP Growth July 2004 to June 2009 ⁽²⁾
	2007	2008	2008 Q3	2008 Q4 ⁽¹⁾	2009 Q1 ⁽¹⁾	2009 Q2 ⁽¹⁾				
Arizona	751	5,532	1,887	1,698	2,526	2,879	1,978	4,354	-23.8%	-1.7%
California	1,681	10,624	4,399	1,830	3,719	4,444	4,814	8,078	-18.3%	-4.7%
Florida	1,714	6,159	1,874	1,915	1,680	2,876	2,681	4,251	-21.9%	-3.3%
Michigan	8,067	11,749	3,418	2,037	2,415	3,306	10,263	9,558	-11.1%	-5.9%
Nevada	530	2,906	1,005	812	1,210	1,337	1,205	2,254	-29.1%	-7.9%
Ohio	4,433	5,289	1,485	1,141	713	1,349	3,402	2,623	-3.8%	-0.9%
All other States	31,945	52,393	15,515	11,565	13,111	15,904	29,830	31,497	-5.1%	1.8%
Total	49,121	94,652	29,583	20,998	25,374	32,095	54,173	62,615	-8.4%	0.2%

- (1) Foreclosure levels were less than they otherwise would have been because of Fannie Mae's foreclosure moratorium on occupied single-family properties between the periods November 26, 2008 through January 31, 2009 and February 17, 2009 through March 6, 2009, and its directive to delay foreclosure sales until the loan servicer has exhausted all other foreclosure prevention alternatives.
- (2) Initial estimate based on purchase transactions in Fannie-Freddie acquisition and public deed data available through the end of June 2009. Including subsequent data may lead to materially different results.

On a national basis, REO net sales prices compared with unpaid principal balances of mortgage loans have decreased as follows, driving increases in loss severities:

- 74% in 2008 Q2
- 70% in 2008 Q3
- 61% in 2008 Q4
- 57% in 2009 Q1
- 54% in 2009 Q2

Fannie Mae Alt-A Credit Profile by Key Product Features

Credit Characteristics of Alt-A Single-Family Mortgage Credit Book of Business by Vintage

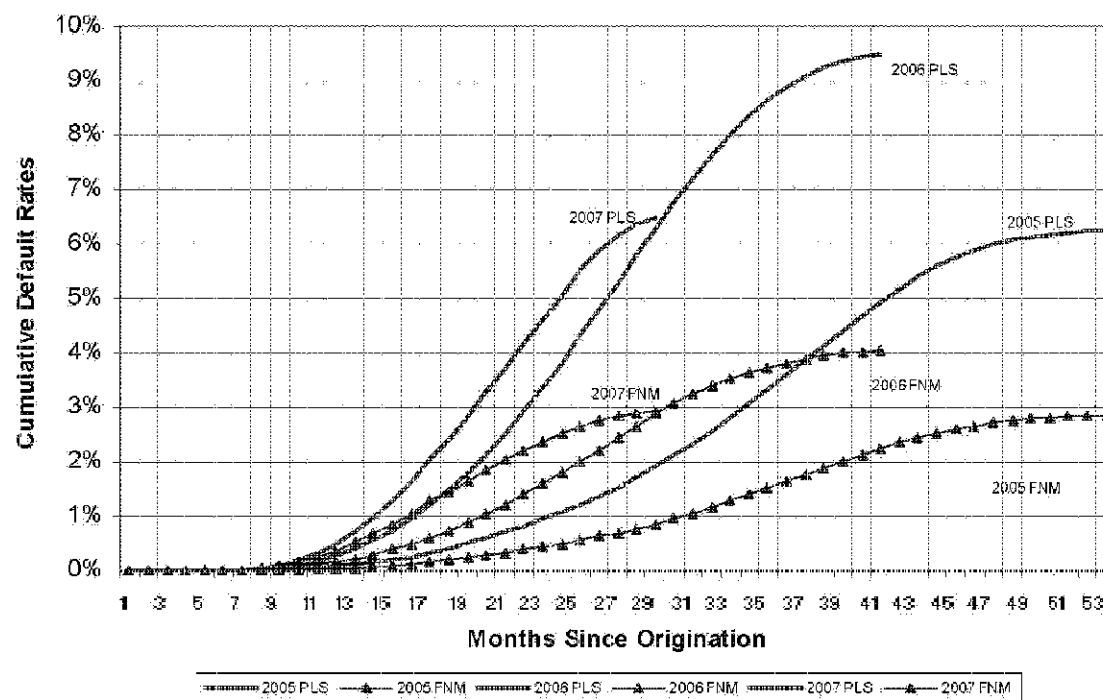
As of June 30, 2009	Alt-A ⁽¹⁾	Vintage				
		2008	2007	2006	2005	2004 and Earlier
Unpaid principal balance (billions) ⁽²⁾	\$269.3	\$6.8	\$70.4	\$76.1	\$50.9	\$65.1
Share of Alt-A	100.0%	2.5%	26.1%	28.3%	18.9%	24.2%
Weighted Average Original Loan-to-Value Ratio	72.8%	68.9%	75.1%	74.2%	72.6%	69.9%
Original Loan-to-Value Ratio > 90%	5.4%	2.2%	8.8%	4.6%	3.2%	4.3%
Weighted Average Mark-to-Market Loan-to-Value Ratio	89.0%	75.7%	99.5%	102.0%	92.7%	81.1%
Mark-to-Market Loan-to-Value Ratio > 100% and ≤ 125%	14.8%	9.4%	20.9%	17.8%	15.7%	4.6%
Mark-to-Market Loan-to-Value Ratio > 125%	15.3%	2.3%	18.9%	23.1%	17.0%	2.1%
Weighted Average FICO ⁽³⁾	718	728	713	714	724	722
FICO ≤ 620 ⁽³⁾	0.7%	0.2%	0.5%	0.5%	0.4%	1.4%
Adjustable-rate	27.8%	10.1%	22.4%	30.3%	40.3%	22.9%
Interest Only	29.9%	7.1%	38.6%	39.2%	30.1%	12.1%
Negative Amortizing	2.9%	0.0%	0.0%	3.9%	6.7%	2.0%
Investor	17.6%	18.4%	19.7%	17.2%	19.6%	14.2%
Condo/Co-op	10.9%	7.0%	10.1%	11.9%	13.2%	9.4%
California	21.9%	20.2%	22.3%	20.0%	20.8%	24.9%
Florida	11.3%	9.0%	12.0%	13.0%	12.5%	8.0%
Credit Enhanced ⁽⁴⁾	38.9%	13.5%	36.0%	53.6%	46.7%	21.4%
2008 Q3 Serious Delinquency Rate	4.92%	0.94%	6.29%	7.27%	4.79%	2.30%
2008 Q4 Serious Delinquency Rate	7.03%	2.14%	9.61%	10.24%	6.64%	3.06%
2009 Q1 Serious Delinquency Rate	9.54%	4.20%	13.51%	13.67%	8.86%	3.97%
2009 Q2 Serious Delinquency Rate	11.91%	6.52%	17.05%	16.78%	10.97%	5.02%
% of 2007 Credit Losses ⁽⁵⁾	27.8%	—	0.7%	9.8%	9.7%	7.7%
% of 2008 Credit Losses ⁽⁵⁾	45.6%	0.0%	12.4%	20.2%	9.7%	3.4%
% of 2008 Q3 Credit Losses ⁽⁵⁾	47.6%	0.0%	14.0%	20.9%	9.7%	3.1%
% of 2008 Q4 Credit Losses ⁽⁵⁾	43.2%	0.1%	13.1%	18.6%	8.2%	2.9%
% of 2009 Q1 Credit Losses ⁽⁵⁾	39.2%	0.2%	12.2%	16.2%	7.7%	2.9%
% of 2009 Q2 Credit Losses ⁽⁵⁾	41.2%	0.3%	13.5%	16.9%	7.7%	2.8%
Cumulative Default Rate ⁽⁶⁾	—	0.43%	3.28%	4.39%	3.06%	—

- (1) "Alt-A mortgage loan" generally refers to a mortgage loan that can be underwritten with reduced or alternative documentation than that required for a full documentation mortgage loan but may also include other alternative product features. In reporting our Alt-A exposure, we have classified mortgage loans as Alt-A if the lenders that deliver the mortgage loans to us have classified the loans as Alt-A based on documentation or other product features. We have classified private-label mortgage-related securities held in our investment portfolio as Alt-A if the securities were labeled as such when issued. We are not providing a 2009 vintage column due to our decision to discontinue the purchase of newly originated Alt-A mortgage loans and due to the acquisition of only one other Alt-A mortgage loan as of June 30, 2009.
- (2) Excludes non-Fannie Mae securities held in portfolio and Alt-A and subprime wraps, for which Fannie Mae does not have loan-level information. Fannie Mae has access to detailed loan-level information on approximately 95% of its conventional single-family mortgage credit book of business. Certain data contained in this presentation are based upon information that Fannie Mae receives from third-party sources. Although Fannie Mae generally considers this information reliable, it does not guarantee that it is accurate or suitable for any particular purpose.
- (3) FICO Credit scores reported in the table are those provided by the sellers of the mortgage loans at time of delivery.
- (4) Defined as unpaid principal balance of Alt-A loans with credit enhancement as a percentage of unpaid principal balance of all Alt-A loans. At June 30, 2009, 8.6% of unpaid principal balance of Alt-A loans carried only primary mortgage insurance (no deductible), 26.6% had only pool insurance (which is generally subject to a deductible), 3.1% had primary mortgage insurance and pool insurance, and 0.06% carried other credit enhancement such as lender recourse.
- (5) Expressed as a percentage of credit losses for the single-family mortgage credit book of business. For information on total credit losses, refer to Fannie Mae's 2009 Q2 Form 10-Q and 2008 Form 10-K.
- (6) Includes loan liquidations other than through voluntary pay-off or repurchase by lenders and includes loan foreclosures, preforeclosure sales, sales to third parties and deeds in lieu of foreclosure. Cumulative Default Rate is the total number of defaulted loans since origination divided by total originated loans.

Fannie Mae Alt-A Loans Versus Loans Underlying Private-Label Alt-A Securities

Fannie Mae Alt-A Versus Private-Label Security Conforming Alt-A		
	Fannie Mae Alt-A	Private-Label Alt-A
	Outstanding Alt-A loans in Fannie Mae's Single-Family Guaranty Book of Business as of May 2009	Outstanding loans backing non-agency conforming Alt-A MBS as of May 2009
FICO	718	710
Original Loan-to-Value Ratio	73%	75%
Combined Loan-to-Value Ratio at Origination ⁽¹⁾	77%	81%
Geography		
California	22%	27%
Florida	11%	13%
Product Type		
Fixed Rate	72%	50%
Adjustable-Rate	28%	50%
Interest-Only	20%	25%
Negative-Amortizing	3%	20%
Investor	18%	21%

Cumulative Default Rates For Fannie Mae Alt-A And Private-Label Alt-A For 2005, 2006 and 2007 Cohorts ⁽²⁾⁽³⁾

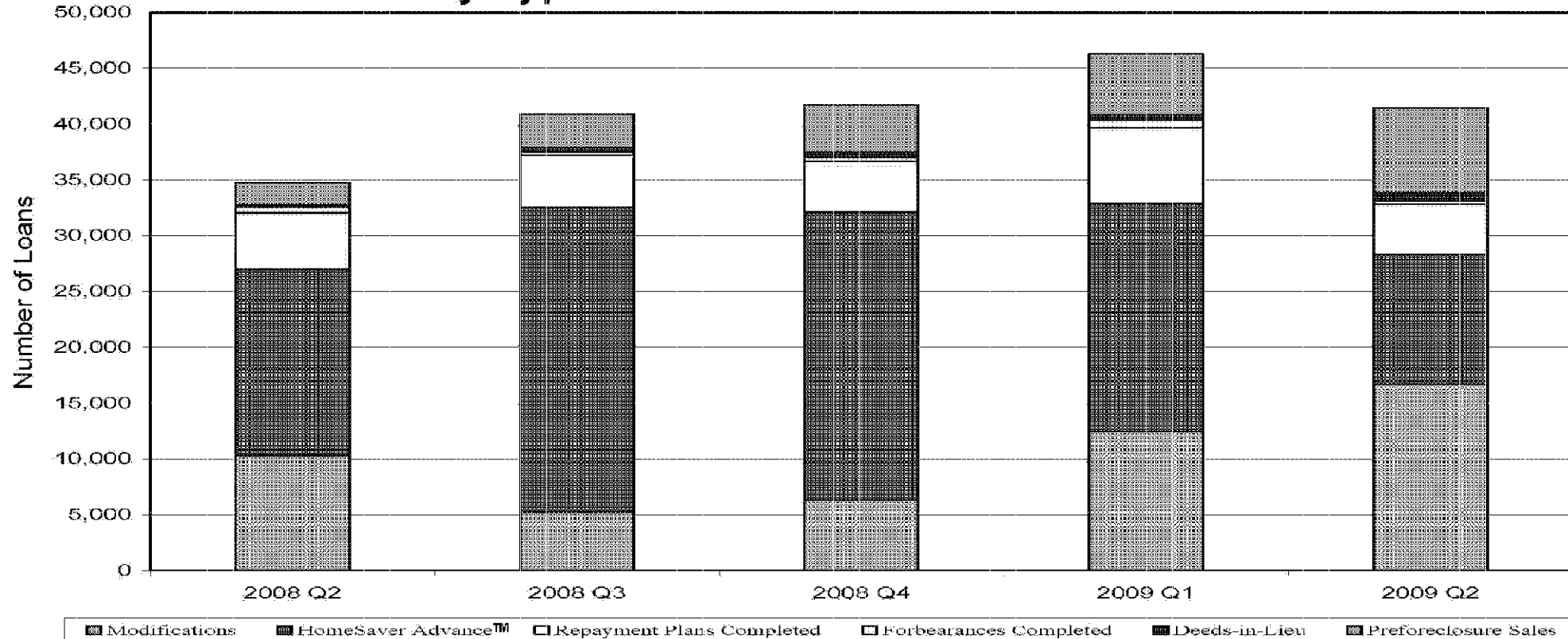


- (1) Includes first liens and any subordinate liens present at origination.
- (2) Fannie Mae's cumulative default rates reflect the impact of the foreclosure moratorium and its directive to delay foreclosure sales until the loan servicer has exhausted foreclosure prevention alternatives.
- (3) The Cumulative Default Rate is based upon the number of months between the loan origination month/year and default month/year.

Data as of May 2009 is not necessarily indicative of the ultimate performance and are likely to change, perhaps materially, in future periods.

Note: Private-label securities data source: First American CoreLogic, LoanPerformance data, which estimates it captures 97% of Alt-A private-label securities.

Fannie Mae Workouts by Type



- (1) Modifications involve changes to the original mortgage loan terms, which may include a change to the product type, interest rate, amortization term, maturity date and/or unpaid principal balance.
- (2) HomeSaver Advance™ are unsecured, personal loans to help qualified borrowers bring their delinquent mortgage loans current after a temporary financial difficulty.
- (3) Repayment plans involve plans to repay past due principal and interest over a reasonable period of time through temporarily higher monthly payments. Loans with repayment plans are included for loans that were at least 60 days delinquent.
- (4) Forbearances involve an agreement to suspend or reduce borrower payments for a period of time. Loans with forbearance plans are included for loans that were at least 90 days delinquent.
- (5) Deeds in lieu of foreclosure involve the borrower voluntarily signing over title to the property without the added expense of a foreclosure proceeding.
- (6) In a preforeclosure sale, the borrower, working with the servicer, sells the home and pays off all or part of the outstanding loan, accrued interest and other expenses from the sale proceeds.

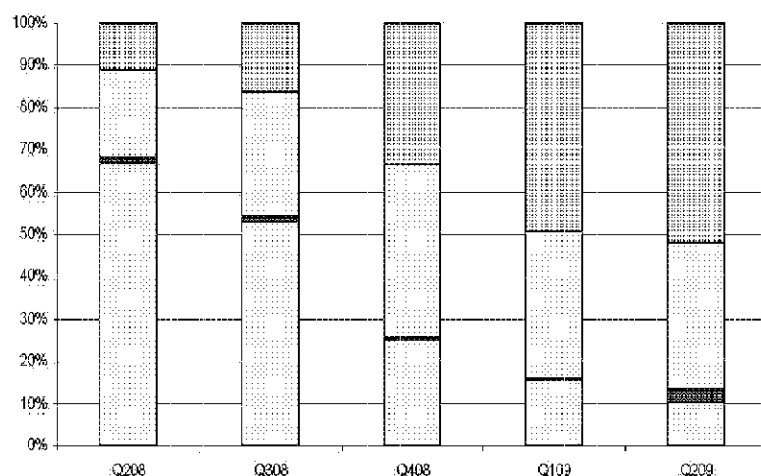
Note: Modification data through 2009 Q2 does not reflect the impact of the Administration's Making Home Affordable Program, which was announced in March 2009. Information on Home Affordable Modification Program is provided on Slide 14.

Home Affordable Modification Program (HAMP)

- Details first announced in March 2009.
- Applies to loans owned or guaranteed by Fannie Mae or Freddie Mac, and non-agency loans meeting the HAMP eligibility requirements.
- Aimed at helping borrowers either currently delinquent or at imminent risk of default.
- Borrowers who are at risk of foreclosure must be evaluated for eligibility under the HAMP before any other workout alternatives are considered.
- As reported by servicers as part of the Making Home Affordable Program, there have been approximately 85,000 trial modifications started on Fannie Mae loans through July 30, 2009.
- Borrowers must satisfy the terms of a trial modification plan for a trial period of three or four months before a modification under the program becomes effective.

Fannie Mae Modifications of Single-Family Delinquent Loans

Change in Monthly Principal and Interest Payment⁽¹⁾⁽²⁾



- Decrease greater than 20% of Principal and Interest Payment
- ▨ Decrease of less than or equal to 20% in Principal and Interest Payment
- No Change in Principal and Interest
- Increase in Principal and Interest Payment

Re-performance Rates of Modified Single Family Loans⁽¹⁾

% Current and Performing*	Q2 2008	Q3 2008	Q4 2008	Q1 2009
3 Months post modification	48%	45%	55%	62%
6 months post modification	33%	35%	41%	n/a
9 months post modification	29%	28%	n/a	n/a

* Includes loans that paid-off

(1) Excludes loans that were classified as subprime adjustable rate mortgages that were modified into fixed rate mortgages and were current at the time of modification.

(2) Represents the change in the monthly principal and interest payment at the modification effective date. The monthly principal and interest payment on modified loans may vary, and may increase, during the remaining life of the loan.

Note: Modification data through 2009 Q2 do not reflect the impact of the Administration's Making Home Affordable Program, which was announced in March 2009. Information on Home Affordable Modification Program is provided on Slide 14.

Fannie Mae Multifamily Credit Profile by Loan Attributes

As of June 30, 2009	Unpaid Principal Balance (Billions)	Share of Multifamily Guaranty Book of Business	% Seriously Delinquent ⁽³⁾
Total Multifamily Guaranty Book of Business ⁽¹⁾⁽²⁾	\$176.69	100%	0.51%
Originating loan-to-value ratio:			
Less than or equal to 80%	\$167.10	95%	0.51%
Greater than 80%	\$9.59	5%	0.50%
Loan Size Distribution:			
Less than or equal to \$750K	\$4.47	3%	0.81%
Greater than \$750K or less than equal to \$3M	\$23.15	13%	0.79%
Greater than \$3M or less than equal to \$5M	\$16.94	10%	0.90%
Greater than \$5M or less than equal to \$25M	\$71.42	40%	0.53%
Greater than \$25M	\$60.71	34%	0.26%
Credit Enhanced Loans:			
Credit Enhanced	\$158.23	90%	0.43%
Non-Credit Enhanced	\$18.46	10%	1.23%
Maturity Dates:			
Loans maturing in 2009 ⁽⁴⁾	\$9.46	5%	0.55%
Loans maturing in 2010 ⁽⁴⁾	\$4.57	3%	0.31%
Loans maturing in 2011	\$8.69	5%	0.32%
Loans maturing in 2012	\$16.15	9%	1.21%
Loans maturing in 2013	\$19.46	11%	0.19%
Loans maturing in 2014 and Beyond	\$118.37	67%	0.49%

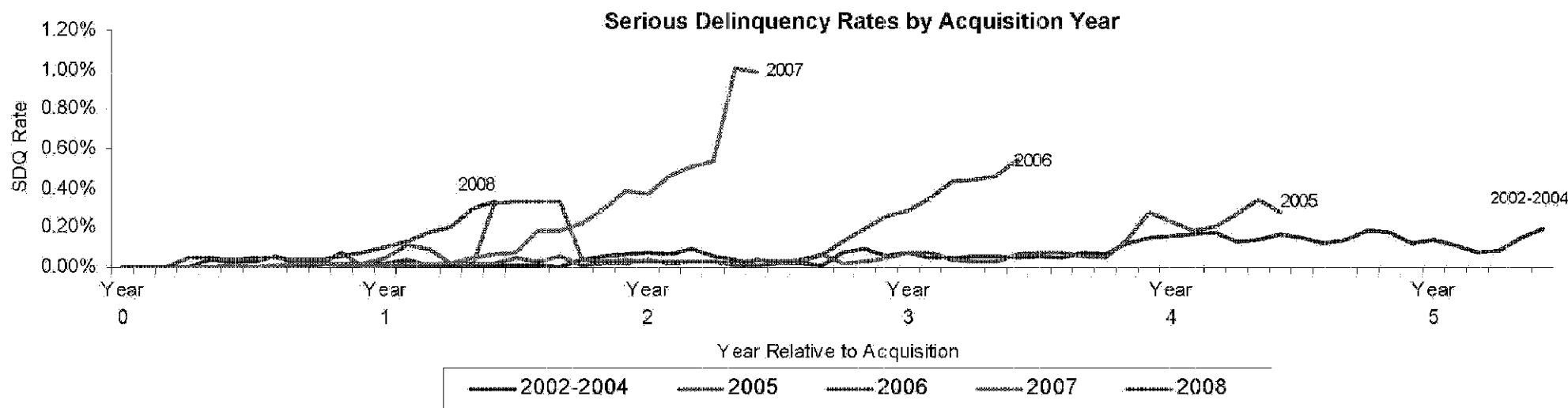
(1)Excludes loans that have been defeased. Defeasance is prepayment of a loan through substitution of collateral, such as Treasury securities.

(2)Represents the portion for which Fannie Mae has access to detailed loan-level information, which constitutes approximately 83% of its total multifamily mortgage credit book of business as of June 30, 2009. Certain data are based upon information received from third-party sources, and although Fannie Mae generally considers this information reliable, it does not guarantee it is accurate or suitable for any particular purpose.

(3)Includes multifamily loans and securities that are 60 days or more past due.

(4)Includes loans backing Discount Mortgage Backed Securities (DMBS), which are securities with maturities of between three and nine months. While the DMBS securities are short-term, the loans backing them have maturities typical of other multifamily mortgages. Approximately \$6B of the volume for 2009 is based the maturity date of the DMBS securities rather than the underlying loans, DMBS loans account for less than \$1B of the 2010 volume.

Fannie Mae Multifamily Credit Profile by Acquisition Year



As of June 30, 2009	Unpaid Principal Balance (Billions)	Share of Multifamily Guaranty Book of Business	% Seriously Delinquent ⁽³⁾
Total Multifamily Guaranty Book of Business ⁽¹⁾⁽²⁾	\$176.69	100%	0.51%
By Acquisition Year:			
2009	\$16.49	9%	0.00%
2008	\$32.53	18%	0.33%
2007	\$43.76	25%	0.99%
2006	\$19.66	11%	0.54%
2005	\$17.08	10%	0.28%
2002 -- 2004	\$30.25	17%	0.32%
Prior to 2002	\$16.92	10%	0.67%

(1) Excludes loans that have been defeased. Defeasance is prepayment of a loan through substitution of collateral, such as Treasury securities.

(2) Represents the portion for which Fannie Mae has access to detailed loan-level information, which constitutes approximately 83% of its total multifamily mortgage credit book of business as of June 30, 2009. Certain data are based upon information received from third-party sources, and although Fannie Mae generally considers this information reliable, it does not guarantee it is accurate or suitable for any particular purpose.

(3) Includes multifamily loans and securities that are 60 days or more past due.

Fannie Mae 2009 Third Quarter Credit Supplement



November 5, 2009

Fannie Mae 2009 Credit Supplement



February 26, 2010

- **These materials present tables and other information about Fannie Mae, including information contained in Fannie Mae’s Annual Report on Form 10-K for the year ended December 31, 2009, the “2009 Form 10-K.” Some of the terms used in these materials are defined and discussed more fully in the 2009 Form 10-K. These materials should be reviewed together with the 2009 Form 10-K, copies of which are available in the “Investor Information” section of Fannie Mae’s Web site at www.fanniemae.com.**
- **Some of the information in this presentation is based upon information that we received from third-party sources such as sellers and servicers of mortgage loans. Although we generally consider this information reliable, we do not independently verify all reported information.**
- **This presentation includes forward-looking statements relating to future home price declines. These statements are based on our opinions, analyses, estimates, forecasts and other views on a variety of economic and other information, and changes in the assumptions and other information underlying these views could produce materially different results. The impact of future home price declines on our business, results or financial condition will depend on many other factors.**

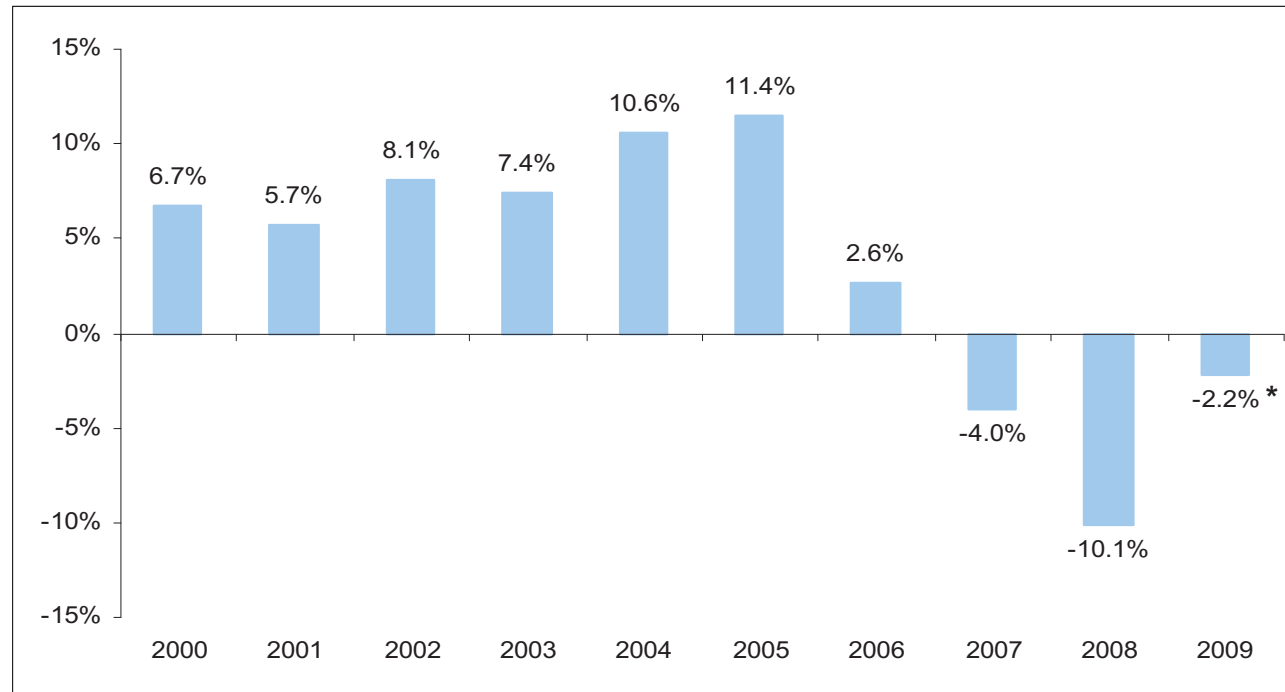
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Home Price Growth/Decline Rates in the U.S.

Fannie Mae Home Price Index



S&P/Case-Shiller Index	9.8%	7.7%	10.6%	10.7%	14.6%	14.7%	-0.3%	-8.5%	-18.3%	-2.5%
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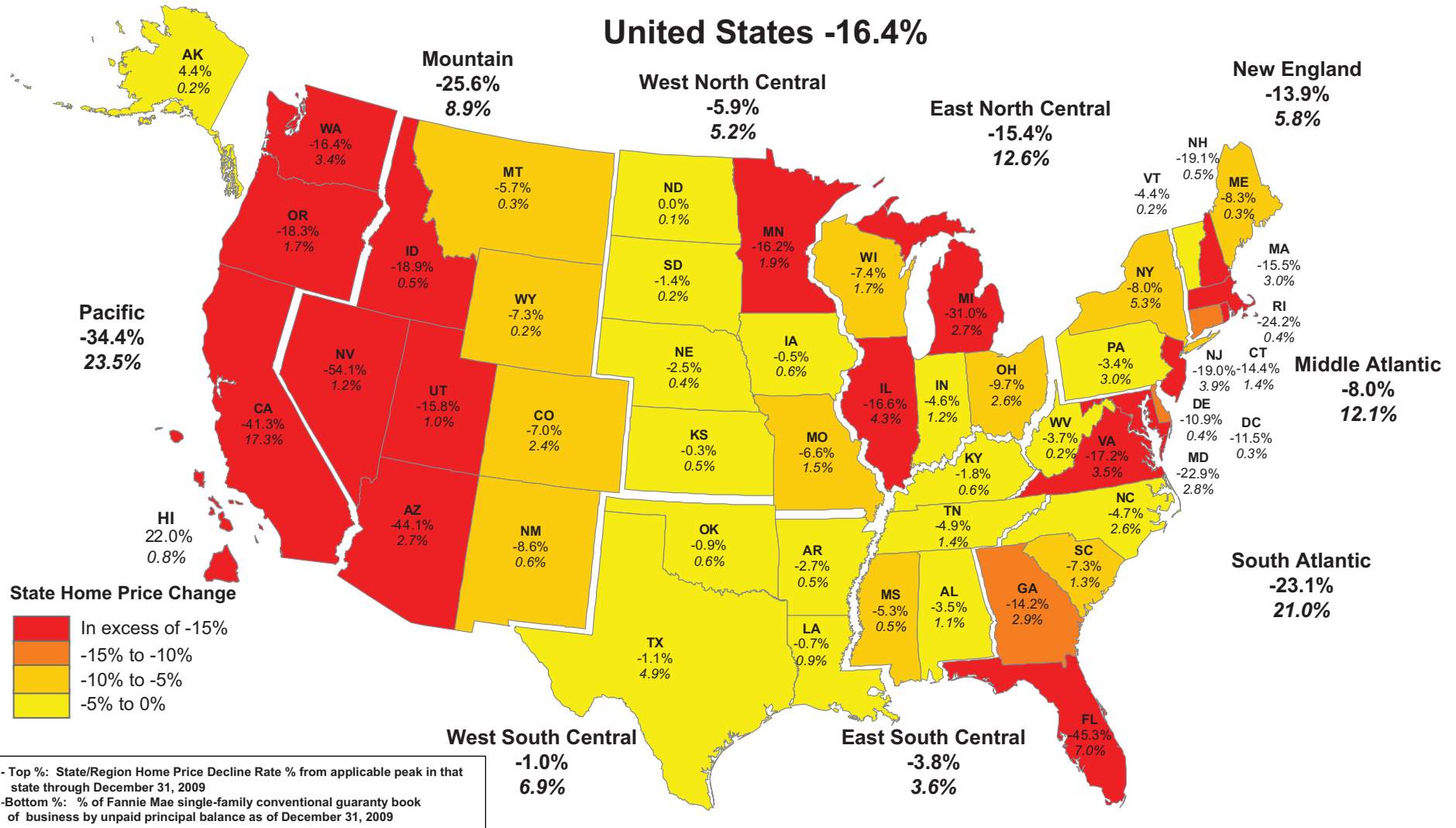
Growth rates are from period-end to period-end.

* Initial estimate based on purchase transactions in Fannie Freddie acquisition and public deed data available through the end of December 2009, supplemented by preliminary data available for January and February 2010. Including subsequent data may lead to materially different results.

We expect peak-to-trough declines in home prices to be in the 17% to 24% range (comparable to a 32% to 40% range using the S&P/Case-Shiller index method).

Note: Our estimates differ from the S&P/Case Shiller index in two principal ways: (1) our estimates weight expectations for each individual property by number of properties, whereas the S&P/Case Shiller index weights expectations of home price declines based on property value, causing declines in home prices on higher priced homes to have a greater effect on the overall result; and (2) our estimates do not include known sales of foreclosed homes because we believe that differing maintenance practices and the forced nature of the sales make foreclosed home prices less representative of market values, whereas the S&P/Case Shiller index includes sales of foreclosed homes. The S&P/Case Shiller comparison numbers shown above for the peak to trough forecast are calculated using our models and assumptions, but modified to use these two factors (weighting of expectations based on property value and the inclusion of foreclosed property sales). In addition to these differences, our estimates are based on our own internally available data combined with publicly available data, and are therefore based on data collected nationwide, whereas the S&P/Case Shiller index is based only on publicly available data, which may be limited in certain geographic areas of the country. Our comparative calculations to the S&P/Case Shiller index provided above are not modified to account for this data pool difference.

Home Price Declines Peak-to-Current (by State) as of 2009 Q4



Note: Regional home price decline percentages are a housing stock unit-weighted average of home price decline percentages of states within each region.

Initial estimate based on purchase transactions in Fannie Freddie acquisition and public deed data available through the end of December 2009, supplemented by preliminary data available for January and February 2010. Including subsequent data may lead to materially different results.

Fannie Mae Acquisition Profile by Key Product Features

Credit Characteristics of Single-Family Business Volume ⁽¹⁾

Acquisition Year	2009	2008	2007	2006
Unpaid Principal Balance (billions)	\$ 684.7	\$ 557.2	\$ 643.8	\$ 515.8
Weighted Average Origination Note Rate	4.93%	6.00%	6.51%	6.45%
Original Loan-to-Value Ratio				
<= 60%	32.6%	22.7%	16.7%	18.6%
>60% and <= 70%	17.0%	16.1%	13.5%	15.1%
>70% and <= 80%	39.9%	39.5%	44.7%	49.6%
>80% and <= 90%	6.9%	11.7%	9.1%	6.8%
>90% and <= 100%	3.3%	10.0%	15.8%	9.7%
> 100%	0.4%	0.1%	0.1%	0.2%
Weighted Average Original Loan-to-Value Ratio	66.8%	72.0%	75.5%	73.4%
FICO Scores ⁽²⁾				
0 to < 620	0.4%	2.8%	6.4%	6.2%
>= 620 and < 660	1.5%	5.7%	11.5%	11.2%
>=660 and < 700	6.5%	13.9%	19.2%	19.6%
>=700 and < 740	17.2%	21.7%	22.6%	23.0%
>=740	74.4%	55.8%	40.1%	39.7%
Missing	0.1%	0.1%	0.1%	0.2%
Weighted Average FICO ⁽²⁾	761	738	716	716
Product				
Fixed-rate	96.6%	91.7%	90.1%	83.4%
Adjustable-rate	3.4%	8.3%	9.9%	16.6%
Alt-A	0.0%	3.1%	16.7%	21.8%
Subprime	0.0%	0.3%	0.7%	0.7%
Interest Only	1.0%	5.6%	15.2%	15.2%
Negatively Amortizing	0.0%	0.0%	0.3%	3.1%
Refinance ⁽³⁾	79.9%	58.6%	50.4%	48.3%
Investor	2.5%	5.6%	6.5%	7.0%
Condo/Coop	8.2%	10.3%	10.4%	10.5%

- (1) Percentage calculated based on unpaid principal balance of loans at time of acquisition. Single family business volume refers to both single family mortgage loans we purchase for our mortgage portfolio and single family mortgage loans we securitize into Fannie Mae MBS.
- (2) FICO Credit scores reported in the table are those provided by the sellers of the mortgage loans at time of delivery.
- (3) Refinance under Home Affordable Refinance Program (HARP) represented 5.5% of total refinances from April 2009 to December 31, 2009.

Fannie Mae Credit Profile by Key Product Features

Credit Characteristics of Single-Family Conventional Guaranty Book of Business

As of December 31, 2009	Categories Not Mutually Exclusive ⁽¹⁾								Sub-total of Key Product Features ⁽¹⁾	Overall Book
	Negative-Amortizing Loans	Interest-Only Loans	Loans with FICO < 620 ⁽³⁾	Loans with FICO ≥ 620 and < 660 ⁽³⁾	Loans with Original LTV Ratio > 90%	Loans with FICO < 620 and Original LTV Ratio > 90% ⁽³⁾	Alt-A Loans	Subprime Loans		
Unpaid Principal Balance (billions) ⁽²⁾	\$13.7	\$183.2	\$109.3	\$230.4	\$262.6	\$24.0	\$248.3	\$7.4	\$837.8	\$2,796.5
Share of Single Family Conventional Guaranty Book	0.5%	6.6%	3.9%	8.2%	9.4%	0.9%	8.9%	0.3%	30.0%	100.0%
Average Unpaid Principal Balance ⁽²⁾	\$131,732	\$243,049	\$123,981	\$139,100	\$143,557	\$118,161	\$166,966	\$148,987	\$152,277	\$153,302
Serious Delinquency Rate	10.29%	20.17%	18.20%	13.01%	13.05%	27.96%	15.63%	30.68%	12.93%	5.38%
Origination Years 2005 2007	60.3%	78.9%	55.2%	53.1%	53.4%	68.9%	73.4%	80.6%	58.8%	36.0%
Weighted Average Original Loan to Value Ratio	71.3%	75.7%	76.6%	77.3%	97.2%	98.1%	73.0%	77.2%	79.6%	71.3%
Original Loan to Value Ratio > 90%	0.3%	9.2%	21.9%	20.7%	100.0%	100.0%	5.3%	6.8%	31.3%	9.4%
Weighted Average Mark to Market Loan to Value Ratio	99.0%	106.1%	81.9%	83.6%	103.4%	103.7%	91.6%	96.6%	90.5%	74.6%
Mark to Market Loan to Value Ratio > 100% and ≤ 125%	14.3%	22.9%	14.2%	14.3%	29.9%	32.2%	15.2%	18.0%	18.2%	8.8%
Mark to Market Loan to Value Ratio > 125%	34.2%	25.1%	7.8%	9.3%	14.1%	14.2%	17.3%	16.7%	12.7%	5.7%
Weighted Average FICO ⁽³⁾	705	724	588	641	698	592	717	622	686	730
FICO < 620 ⁽³⁾	7.6%	1.3%	100.0%	—	9.1%	100.0%	0.7%	48.5%	13.1%	3.9%
Fixed rate	0.2%	38.9%	92.7%	91.8%	94.0%	93.9%	72.1%	77.1%	80.8%	91.4%
Primary Residence	69.2%	84.9%	96.7%	94.2%	97.1%	99.4%	77.3%	96.6%	89.5%	89.9%
Condo/Co op	14.0%	16.5%	4.9%	6.6%	9.9%	6.1%	10.9%	4.4%	9.7%	9.4%
Credit Enhanced ⁽⁴⁾	73.3%	30.5%	32.4%	33.3%	87.3%	91.7%	33.3%	59.9%	41.5%	17.7%
% of 2007 Credit Losses ⁽⁵⁾	0.9%	15.0%	18.8%	21.9%	17.4%	6.4%	27.8%	1.0%	72.3%	100.0%
% of 2008 Credit Losses ⁽⁵⁾	2.9%	34.2%	11.8%	17.4%	21.3%	5.4%	45.6%	2.0%	81.3%	100.0%
% of 2009 Credit Losses ⁽⁵⁾	2.0%	32.6%	8.8%	15.5%	19.2%	3.4%	39.6%	1.5%	75.0%	100.0%
% of 2009 Q1 Credit Losses ⁽⁵⁾	1.8%	34.2%	10.7%	16.0%	22.5%	4.9%	39.2%	2.0%	77.7%	100.0%
% of 2009 Q2 Credit Losses ⁽⁵⁾	2.2%	32.2%	9.2%	16.0%	19.7%	3.5%	41.2%	1.1%	76.0%	100.0%
% of 2009 Q3 Credit Losses ⁽⁵⁾	1.8%	31.8%	8.6%	15.3%	18.9%	3.2%	39.1%	1.6%	74.4%	100.0%
% of 2009 Q4 Credit Losses ⁽⁵⁾	2.0%	32.6%	7.7%	15.1%	17.1%	2.6%	39.0%	1.3%	73.2%	100.0%

- (1) Loans with multiple product features are included in all applicable categories. The subtotal is calculated by counting a loan only once even if it is included in multiple categories.
- (2) Excludes non Fannie Mae securities held in portfolio and those Alt A and subprime wraps for which Fannie Mae does not have loan level information. Fannie Mae had access to detailed loan level information which constituted over 98% of its single family conventional guaranty book of business as of December 31, 2009.
- (3) FICO Credit scores reported in the table are those provided by the sellers of the mortgage loans at time of delivery.
- (4) Unpaid principal balance of all loans with credit enhancement as a percentage of unpaid principal balance of single family conventional guaranty book of business for which Fannie Mae had access to loan level information. Includes primary mortgage insurance, pool insurance, lender recourse and other credit enhancement.
- (5) Expressed as a percentage of credit losses for the single family guaranty book of business. For information on total credit losses, refer to Fannie Mae's 2009 Form 10 K.

Fannie Mae Credit Profile by Origination Year and Key Product Features

Credit Characteristics of Single-Family Conventional Guaranty Book of Business by Origination Year

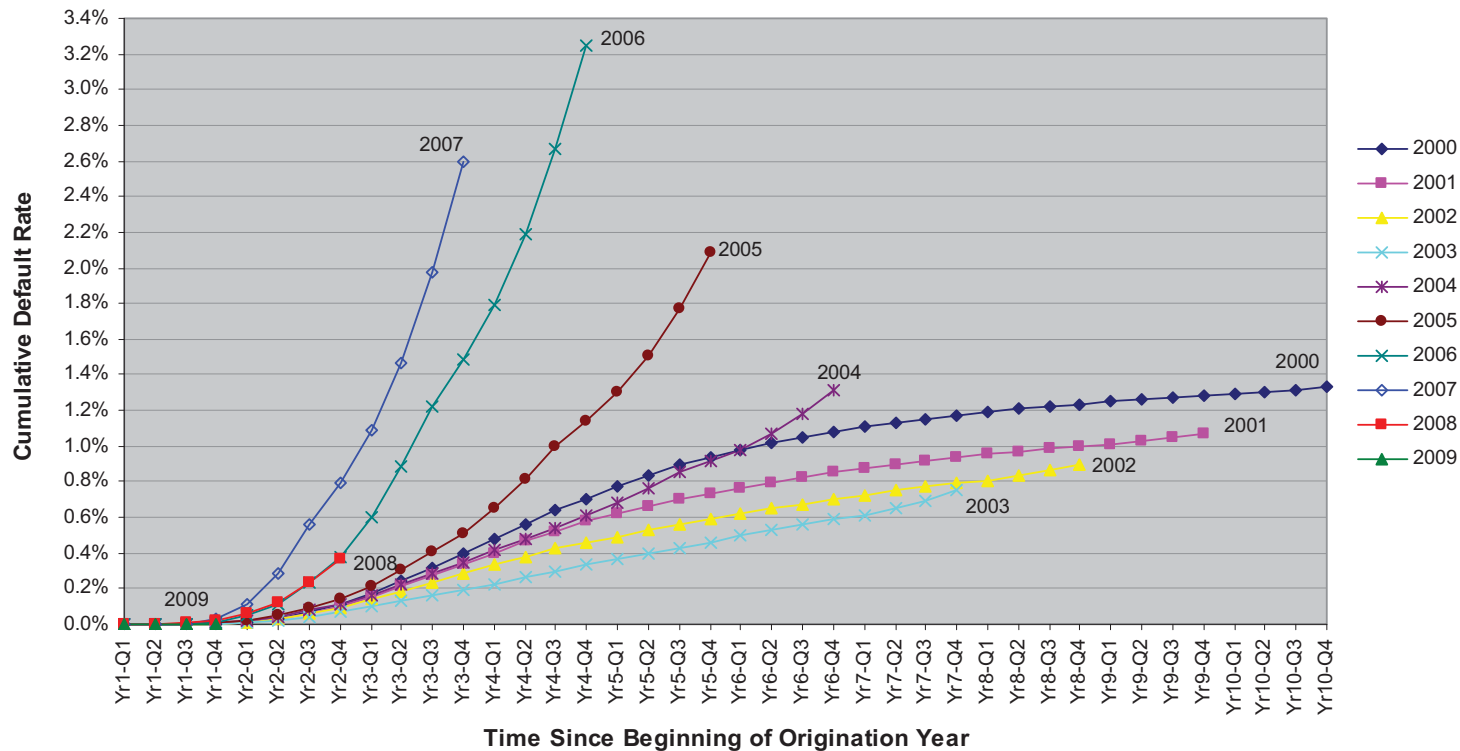
As of December 31, 2009	Overall Book	Origination Year					
		2009	2008	2007	2006	2005	2004 and Earlier
Unpaid Principal Balance (billions) ⁽¹⁾	\$2,796.5	\$616.3	\$354.9	\$423.0	\$292.2	\$292.1	\$818.0
Share of Single Family Conventional Guaranty Book	100.0%	22.0%	12.7%	15.1%	10.4%	10.4%	29.3%
Average Unpaid Principal Balance ⁽¹⁾	\$153,302	\$217,461	\$196,236	\$184,586	\$169,063	\$157,674	\$105,868
Serious Delinquency Rate	5.38%	0.05%	3.98%	14.06%	12.87%	7.27%	2.97%
Weighted Average Original Loan to Value Ratio	71.3%	66.8%	73.2%	77.5%	74.7%	72.2%	69.2%
Original Loan to Value Ratio > 90%	9.4%	3.7%	10.5%	19.5%	11.5%	8.3%	7.6%
Weighted Average Mark to Market Loan to Value Ratio	74.6%	67.1%	79.7%	96.4%	96.9%	84.2%	55.3%
Mark to Market Loan to Value Ratio > 100% and <= 125%	8.8%	0.8%	10.8%	21.6%	17.4%	12.7%	2.8%
Mark to Market Loan to Value Ratio > 125%	5.7%	0.0%	2.3%	14.3%	17.6%	10.4%	1.0%
Weighted Average FICO ⁽²⁾	730	762	737	710	713	721	723
FICO < 620 ⁽²⁾	3.9%	0.4%	2.5%	7.1%	5.9%	4.4%	4.6%
Interest Only	6.6%	0.9%	5.4%	15.3%	17.2%	10.1%	1.7%
Negative Amortizing	0.5%	0.0%	0.0%	0.1%	1.3%	1.5%	0.7%
Fixed rate	91.4%	97.2%	93.1%	90.4%	85.7%	83.8%	91.6%
Primary Residence	89.9%	92.9%	88.4%	88.2%	86.4%	87.5%	91.3%
Condo/Co op	9.4%	8.1%	11.3%	11.4%	11.6%	10.3%	7.2%
Credit Enhanced ⁽³⁾	17.7%	6.6%	23.5%	32.2%	27.3%	19.2%	12.0%
% of 2007 Credit Losses ⁽⁴⁾	100.0%	—	—	1.9%	21.3%	23.6%	53.2%
% of 2008 Credit Losses ⁽⁴⁾	100.0%	—	0.5%	27.9%	34.9%	19.3%	17.3%
% of 2009 Credit Losses ⁽⁴⁾	100.0%	0.0%	4.8%	36.0%	30.9%	16.4%	11.9%
% of 2009 Q1 Credit Losses ⁽⁴⁾	100.0%	0.0%	2.6%	34.0%	31.7%	17.6%	14.1%
% of 2009 Q2 Credit Losses ⁽⁴⁾	100.0%	0.0%	4.3%	34.6%	31.7%	16.6%	12.7%
% of 2009 Q3 Credit Losses ⁽⁴⁾	100.0%	0.0%	5.4%	37.5%	30.3%	15.8%	11.1%
% of 2009 Q4 Credit Losses ⁽⁴⁾	100.0%	0.0%	6.0%	36.8%	30.4%	16.2%	10.6%
Cumulative Default Rate ⁽⁵⁾	—	0.00%	0.37%	2.60%	3.25%	2.08%	—

- (1) Excludes non Fannie Mae securities held in portfolio and those Alt A and subprime wraps for which Fannie Mae does not have loan level information. Fannie Mae had access to detailed loan level information which constituted over 98% of its single family conventional guaranty book of business as of December 31, 2009.
- (2) FICO Credit scores reported in the table are those provided by the sellers of the mortgage loans at time of delivery.
- (3) Unpaid principal balance of all loans with credit enhancement as a percentage of unpaid principal balance of single family conventional guaranty book of business for which Fannie Mae has access to loan level information. Includes primary mortgage insurance, pool insurance, lender recourse and other credit enhancement.
- (4) Expressed as a percentage of credit losses for the single family guaranty book of business. For information on total credit losses, refer to Fannie Mae's 2009 Form 10 K.
- (5) Defaults include loan liquidations other than through voluntary pay off or repurchase by lenders and includes loan foreclosures, preforeclosure sales, sales to third parties 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. As of December 31, 2009, 2004 vintage cumulative default rate was 1.31% and 2003 vintage cumulative default rate was 0.75%.

Fannie Mae Single-Family Cumulative Default Rate

Cumulative Default Rate of Single-Family Conventional Guaranty Book of Business by Origination Year

Overall Originations from 2000 through 2009 Q4



Note: Defaults include loan liquidations other than through voluntary pay off or repurchase by lenders and include loan foreclosures, preforeclosure sales, sales to third parties 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, 2009 are not necessarily indicative of the ultimate performance of the loans and performance is likely to change, perhaps materially, in future periods.

Fannie Mae Credit Profile by State

Credit Characteristics of Single-Family Conventional Guaranty Book of Business by State

As of December 31, 2009	Overall Book	AZ	CA	FL	NV	Select Midwest States ⁽⁵⁾
Unpaid Principal Balance (billions) ⁽¹⁾	\$2,796.5	\$76.1	\$485.0	\$195.3	\$34.7	\$304.1
Share of Single Family Conventional Guaranty Book	100.0%	2.7%	17.3%	7.0%	1.2%	10.9%
Average Unpaid Principal Balance ⁽¹⁾	\$153,302	\$158,978	\$213,402	\$144,357	\$175,846	\$123,299
Serious Delinquency Rate	5.38%	8.80%	5.73%	12.82%	13.00%	5.62%
Origination Years 2005 2007	36.0%	51.9%	31.3%	54.1%	54.4%	33.2%
Weighted Average Original Loan to Value Ratio	71.3%	73.7%	63.4%	73.2%	74.6%	74.6%
Original Loan to Value Ratio > 90%	9.4%	9.9%	3.0%	10.4%	9.3%	12.0%
Weighted Average Mark to Market Loan to Value Ratio	74.6%	99.8%	76.6%	99.8%	122.6%	77.2%
Mark to Market Loan to Value Ratio >100% and <=125%	8.8%	19.9%	11.7%	19.8%	17.8%	11.9%
Mark to Market Loan to Value Ratio >125%	5.7%	24.5%	11.1%	25.9%	47.6%	3.0%
Weighted Average FICO ⁽²⁾	730	729	739	720	727	725
FICO < 620 ⁽²⁾	3.9%	3.3%	2.3%	5.1%	3.0%	4.8%
Interest Only	6.6%	13.6%	10.6%	10.8%	18.8%	3.8%
Negative Amortizing	0.5%	0.6%	1.6%	1.0%	1.6%	0.1%
Fixed rate	91.4%	86.5%	86.8%	87.7%	79.2%	91.8%
Primary Residence	89.9%	83.4%	88.7%	81.9%	80.3%	93.7%
Condo/Co op	9.4%	5.3%	11.9%	15.3%	7.3%	10.6%
Credit Enhanced ⁽³⁾	17.7%	19.1%	9.3%	20.7%	22.8%	20.8%
% of 2007 Credit Losses ⁽⁴⁾	100.0%	1.8%	7.2%	4.7%	1.2%	46.6%
% of 2008 Credit Losses ⁽⁴⁾	100.0%	8.0%	25.2%	10.9%	4.9%	21.1%
% of 2009 Credit Losses ⁽⁴⁾	100.0%	10.8%	24.4%	15.5%	6.5%	14.8%
% of 2009 Q1 Credit Losses ⁽⁴⁾	100.0%	12.2%	26.3%	12.0%	7.2%	13.8%
% of 2009 Q2 Credit Losses ⁽⁴⁾	100.0%	11.0%	24.7%	14.6%	6.3%	16.2%
% of 2009 Q3 Credit Losses ⁽⁴⁾	100.0%	9.3%	23.9%	16.7%	6.9%	14.9%
% of 2009 Q4 Credit Losses ⁽⁴⁾	100.0%	11.2%	23.6%	17.1%	6.0%	14.4%

(1) Excludes non Fannie Mae securities held in portfolio and those Alt A and subprime wraps for which Fannie Mae does not have loan level information. Fannie Mae had access to detailed loan level information which constituted over 98% of its single family conventional guaranty book of business as of December 31, 2009.

(2) FICO Credit scores reported in the table are those provided by the sellers of the mortgage loans at time of delivery.

(3) Unpaid principal balance of all loans with credit enhancement as a percentage of unpaid principal balance of single family conventional guaranty book of business for which Fannie Mae has access to loan level information. Includes primary mortgage insurance, pool insurance, lender recourse and other credit enhancement.

(4) Expressed as a percentage of credit losses for the single family guaranty book of business. For information on total credit losses, refer to Fannie Mae's 2009 Form 10 K.

(5) Select Midwest states are Illinois, Indiana, Michigan and Ohio.

Fannie Mae Single-Family Serious Delinquency Rates by State and Region ⁽¹⁾

State	December 31, 2008	March 31, 2009	June 30, 2009	September 30, 2009	December 31, 2009
Arizona	3.41%	5.00%	6.54%	7.87%	8.80%
California	2.30%	3.33%	4.23%	5.06%	5.73%
Florida	6.14%	8.07%	9.71%	11.31%	12.82%
Nevada	4.74%	7.05%	9.33%	11.16%	13.00%
Select Midwest States ⁽²⁾	2.70%	3.36%	4.16%	4.98%	5.62%
All conventional single-family loans	2.42%	3.15%	3.94%	4.72%	5.38%
Region ⁽³⁾					
Midwest	2.44%	3.02%	3.71%	4.42%	4.97%
Northeast	1.97%	2.53%	3.20%	3.91%	4.53%
Southeast	3.27%	4.24%	5.21%	6.18%	7.06%
Southwest	1.98%	2.45%	3.07%	3.71%	4.19%
West	2.10%	3.06%	3.96%	4.77%	5.45%
All conventional single-family loans	2.42%	3.15%	3.94%	4.72%	5.38%

(1) Calculated based on the number of loans in Fannie Mae's single-family conventional guaranty book of business within each specified category.

(2) Select Midwest states are Illinois, Indiana, Michigan and Ohio.

(3) For information on which states are included in each region, refer to Fannie Mae's 2009 Form 10-K.

Home Price Growth/Decline and Fannie Mae Real Estate Owned (REO) in Selected States

State	REO Acquisitions (Number of Properties)							REO Inventory as of December 31, 2008	REO Inventory as of December 31, 2009	1-Year HP Growth January 2009 to December 2009 ⁽²⁾	5-Year Annualized HP Growth January 2005 to December 2009 ⁽²⁾
	2007	2008	2009	2009 Q1 ⁽¹⁾	2009 Q2 ⁽¹⁾	2009 Q3 ⁽¹⁾	2009 Q4 ⁽¹⁾				
Arizona	751	5,532	12,854	2,526	2,879	3,172	4,277	3,929	5,857	-9.4%	-4.0%
California	1,681	10,624	19,565	3,719	4,444	5,304	6,098	7,454	10,472	-5.0%	-6.5%
Florida	1,714	6,159	13,282	1,680	2,876	4,053	4,673	4,227	6,812	-7.0%	-5.4%
Nevada	530	2,906	6,075	1,210	1,337	1,885	1,643	2,094	2,685	-19.1%	-11.6%
Select Midwest States ⁽³⁾	16,678	23,668	28,464	4,643	6,930	7,834	9,057	17,476	21,512	-1.8%	-2.5%
All other States	27,767	45,763	65,377	11,596	13,629	18,711	21,441	28,358	38,817	-0.9%	1.3%
Total	49,121	94,652	145,617	25,374	32,095	40,959	47,189	63,538	86,155	-2.2%	-0.7%

- (1) Fannie Mae's REO acquisitions and REO reflect the impact of Fannie Mae's foreclosure moratoriums in late 2008 and early 2009 and its directive to loan servicers to delay foreclosure sales until the servicers have exhausted foreclosure prevention alternatives.
- (2) Initial estimate based on purchase transactions in Fannie Freddie acquisition and public deed data available through the end of December 2009, supplemented by preliminary data available for January and February 2010. Including subsequent data may lead to materially different results.
- (3) Select Midwest states are Illinois, Indiana, Michigan and Ohio.

REO Net Sales Prices Compared With Unpaid Principal Balances of Mortgage Loans				
2008 Q4	2009 Q1	2009 Q2	2009 Q3	2009 Q4
61%	57%	54%	54%	56%

Fannie Mae Alt-A Credit Profile by Key Product Features

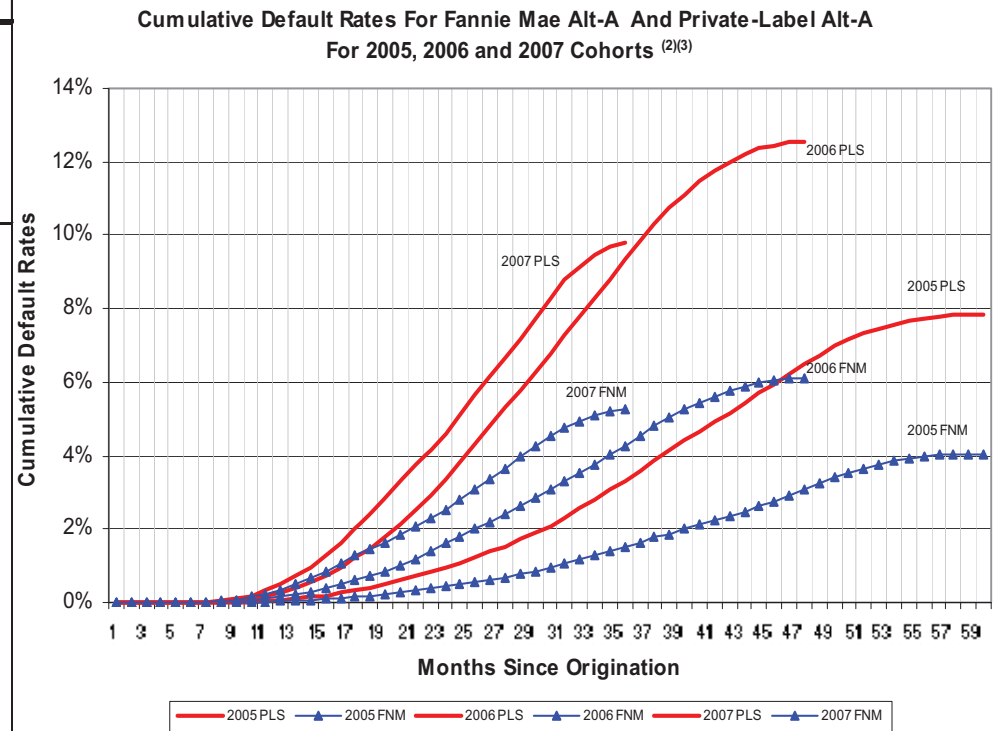
Credit Characteristics of Alt-A Single-Family Conventional Guaranty Book of Business by Origination Year

As of December 31, 2009	Alt-A ⁽¹⁾	Origination Year				
		2008	2007	2006	2005	2004 and Earlier
Unpaid principal balance (billions) ⁽²⁾	\$248.3	\$6.3	\$65.1	\$70.1	\$47.2	\$59.7
Share of Alt-A	100.0%	2.5%	26.2%	28.2%	19.0%	24.0%
Weighted Average Original Loan-to-Value Ratio	73.0%	67.3%	75.1%	74.2%	72.7%	70.1%
Original Loan-to-Value Ratio > 90%	5.3%	2.4%	8.7%	4.7%	3.2%	4.4%
Weighted Average Mark-to-Market Loan-to-Value Ratio	91.6%	77.3%	102.6%	105.3%	95.2%	62.1%
Mark-to-Market Loan-to-Value Ratio > 100% and <=125%	15.2%	10.6%	21.3%	18.0%	15.8%	5.0%
Mark-to-Market Loan-to-Value Ratio > 125%	17.3%	3.6%	21.5%	25.6%	19.1%	2.7%
Weighted Average FICO ⁽³⁾	717	727	712	714	724	721
FICO < 620 ⁽³⁾	0.7%	0.2%	0.5%	0.5%	0.4%	1.4%
Adjustable-rate	27.9%	10.7%	22.8%	30.5%	40.0%	22.9%
Interest Only	29.8%	7.1%	38.5%	38.9%	29.7%	12.1%
Negative Amortizing	2.9%	0.0%	0.0%	4.0%	6.7%	2.0%
Investor	17.8%	18.5%	19.7%	17.2%	19.9%	14.6%
Condo/Co-op	10.9%	6.9%	10.0%	11.9%	13.2%	9.4%
California	22.0%	20.4%	22.4%	20.1%	20.9%	25.0%
Florida	11.5%	9.1%	12.2%	13.2%	12.8%	8.2%
Credit Enhanced ⁽⁴⁾	33.3%	13.9%	32.1%	44.6%	36.1%	21.3%
2008 Q4 Serious Delinquency Rate	7.03%	2.14%	9.61%	10.24%	6.64%	3.06%
2009 Q1 Serious Delinquency Rate	9.54%	4.20%	13.51%	13.67%	8.86%	3.97%
2009 Q2 Serious Delinquency Rate	11.91%	6.52%	17.05%	16.78%	10.97%	5.02%
2009 Q3 Serious Delinquency Rate	13.97%	8.72%	20.19%	19.43%	12.72%	5.95%
2009 Q4 Serious Delinquency Rate	15.63%	10.55%	22.72%	21.57%	14.24%	6.73%
% of 2007 Credit Losses ⁽⁵⁾	27.8%	—	0.7%	9.8%	9.7%	7.7%
% of 2008 Credit Losses ⁽⁵⁾	45.6%	0.0%	12.4%	20.2%	9.7%	3.4%
% of 2009 Credit Losses ⁽⁵⁾	39.6%	0.4%	13.4%	15.8%	7.3%	2.7%
% of 2009 Q1 Credit Losses ⁽⁵⁾	39.2%	0.2%	12.2%	16.2%	7.7%	2.9%
% of 2009 Q2 Credit Losses ⁽⁵⁾	41.2%	0.3%	13.5%	16.9%	7.7%	2.8%
% of 2009 Q3 Credit Losses ⁽⁵⁾	39.1%	0.5%	13.7%	15.3%	7.2%	2.5%
% of 2009 Q4 Credit Losses ⁽⁵⁾	39.0%	0.6%	13.7%	15.2%	7.0%	2.5%
Cumulative Default Rate ⁽⁶⁾	—	1.47%	5.84%	6.63%	4.39%	—

- (1) "Alt A mortgage loan" generally refers to a mortgage loan that can be underwritten with reduced or alternative documentation than that required for a full documentation mortgage loan but may also include other alternative product features. In reporting our Alt A exposure, we have classified mortgage loans as Alt A if the lenders that deliver the mortgage loans to us have classified the loans as Alt A based on documentation or other product features. We have classified private label mortgage related securities held in our investment portfolio as Alt A if the securities were labeled as such when issued. As a result of our decision to discontinue the purchase of newly originated Alt A loans effective January 1, 2009, no comparable data will be provided for 2009.
- (2) Excludes non Fannie Mae securities held in portfolio and those Alt A and subprime wraps for which Fannie Mae does not have loan level information. Fannie Mae had access to detailed loan level information which constituted over 98% of its single family conventional guaranty book of business as of December 31, 2009.
- (3) FICO Credit scores reported in the table are those provided by the sellers of the mortgage loans at time of delivery.
- (4) Defined as unpaid principal balance of Alt A loans with credit enhancement as a percentage of unpaid principal balance of all Alt A loans. At December 31, 2009, 9.1% of unpaid principal balance of Alt A loans carried only primary mortgage insurance (no deductible), 21.2% had only pool insurance (which is generally subject to a deductible), 2.6% had primary mortgage insurance and pool insurance, and 0.4% carried other credit enhancement such as lender recourse.
- (5) Expressed as a percentage of credit losses for the single family guaranty book of business. For information on total credit losses, refer to Fannie Mae's 2009 Form 10 K.
- (6) Defaults include loan liquidations other than through voluntary pay off or repurchase by lenders and includes loan foreclosures, preforeclosure sales, sales to third parties 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.

Fannie Mae Alt-A Loans Versus Loans Underlying Private-Label Alt-A Securities

Fannie Mae Alt-A Versus Private-Label Security Conforming Alt-A		
	<u>Fannie Mae Alt-A</u> Outstanding Alt-A loans in Fannie Mae's Single- Family Guaranty Book of Business as of November 2009	<u>Private-Label Alt-A</u> Outstanding loans backing non-agency conforming Alt-A MBS as of November 2009
FICO	718	709
Original Loan to Value Ratio	73%	76%
Combined Loan to Value Ratio at Origination (1)	77%	81%
Geography		
California	22%	27%
Florida	12%	14%
Product Type		
Fixed Rate	72%	51%
Adjustable Rate	28%	49%
Interest Only	20%	24%
Negative Amortizing	3%	20%
Investor	18%	21%

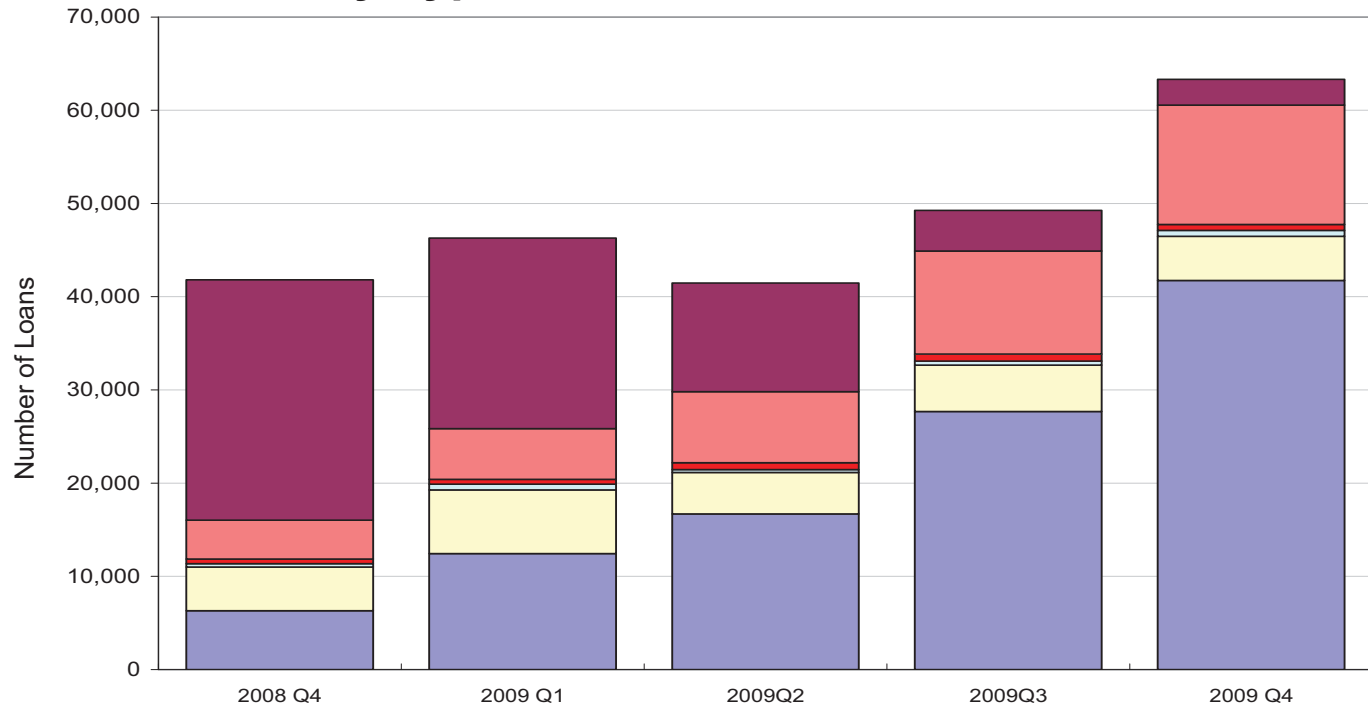


- (1) Includes first liens and any subordinate liens present at origination.
- (2) Fannie Mae's cumulative default rates reflect the impact of Fannie Mae's foreclosure moratoriums in late 2008 and early 2009 and its directive to loan servicers to delay foreclosure sales until the servicers have exhausted foreclosure prevention alternatives.
- (3) The Cumulative Default Rate is based upon the number of months between the loan origination month/year and default month/year.

Data as of November 2009 are not necessarily indicative of the ultimate performance of the loans and performance is likely to change, perhaps materially, in future periods.

Note: Private-label securities data source: First American CoreLogic, LoanPerformance data, which estimates it captures 97% of Alt-A private-label securities.

Fannie Mae Workouts by Type



- Modifications involve changes to the original mortgage loan terms, which may include a change to the product type, interest rate, amortization term, maturity date and/or unpaid principal balance. Modifications include completed modifications made under the Administration's Home Affordable Modification Program, which was implemented beginning in March 2009, but do not reflect loans currently in trial modifications under that program. Information on Fannie Mae loans under the Home Affordable Modification Program is provided on Slide 15.
- Repayment plans involve plans to repay past due principal and interest over a reasonable period of time through temporarily higher monthly payments. Loans with completed repayment plans are included for loans that were at least 60 days delinquent at initiation.
- Forbearances involve an agreement to suspend or reduce borrower payments for a period of time. Loans with forbearance plans are included for loans that were at least 90 days delinquent at initiation.
- Deeds in lieu of foreclosure involve the borrower's voluntarily signing over title to the property without the added expense of a foreclosure proceeding.
- In a preforeclosure sale, the borrower, working with the servicer, sells the home and pays off all or part of the outstanding loan, accrued interest and other expenses from the sale proceeds.
- HomeSaver Advance™ are unsecured, personal loans designed to help qualified borrowers bring their delinquent mortgage loans current after a temporary financial difficulty.

Home Affordable Modification Program (HAMP)

Fannie Mae Loans Under HAMP

As of December 31, 2009	<u>Active HAMP Trials</u>	<u>Permanent HAMP Modification</u>
Total	291,053	23,693
Modification Structure		
Rate Reduction	100%	100%
Term Extension	44%	43%
Forbearance	21%	20%
Median Monthly Principal and Interest Reduction	\$482	\$485
% of December 31, 2009 SDQ Loans⁽¹⁾	22%	

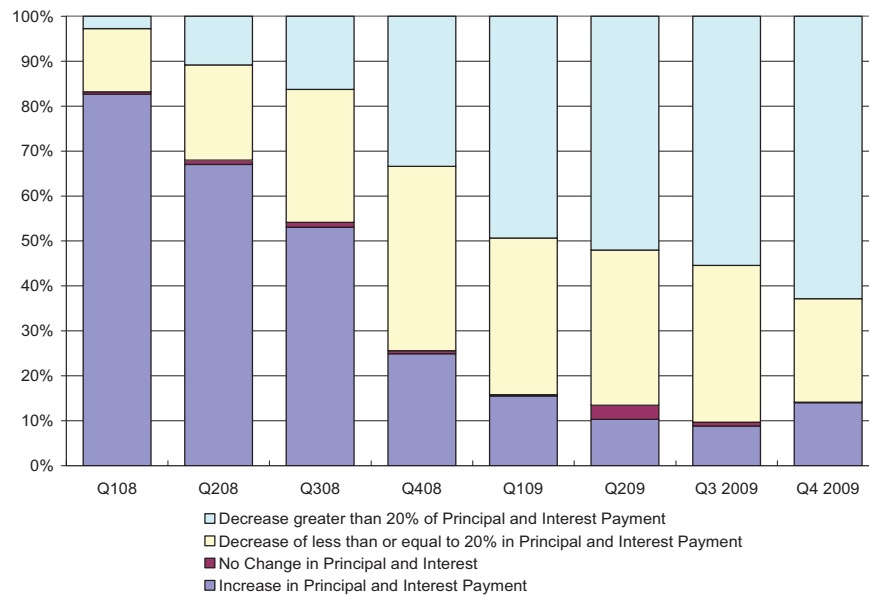
Data Source: United States Treasury Department as reported by servicers to the system of record for the Home Affordable Modification Program

(1) At the time a HAMP trial becomes a permanent modification, it is classified as current and not included in our SDQ figures.

- Provides immediate payment relief to borrowers who are delinquent or in imminent risk of payment default.
- We require servicers to first evaluate all Fannie Mae problem loans for HAMP eligibility. If a borrower in default is not eligible for HAMP, our servicers are required to exhaust all other workout alternatives before proceeding to foreclosure.
- The number of HAMP trials increased substantially in Q3 2009 and Q4 2009. We expect permanent modifications to increase significantly as trial periods are completed and permanent modification offers are extended. However, it is difficult to predict how many of these trials will be completed.

Fannie Mae Modifications of Single-Family Delinquent Loans

**Change in Monthly Principal and Interest Payment
of Modified Single Family Loans⁽¹⁾⁽²⁾**



**Re-performance Rates of Modified
Single Family Loans⁽¹⁾⁽³⁾**

% Current and Performing	Q3 2008	Q4 2008	Q1 2009	Q2 2009	Q3 2009
3 Months post modification	45%	55%	62%	63%	57%
6 months post modification	35%	41%	46%	50%	n/a
9 months post modification	28%	32%	36%	n/a	n/a
12 Months post modification	25%	27%	n/a	n/a	n/a

- (1) Excludes loans that were classified as subprime adjustable rate mortgages that were modified into fixed rate mortgages and were current at the time of modification. Modifications include permanent modifications made under the Administration's Home Affordable Modification Program, which was implemented beginning in March 2009, but do not reflect loans currently in trial modifications under that program. Information on the Home Affordable Modification Program is provided on Slide 15.
- (2) Represents the change in the monthly principal and interest payment at the effective date of the modification. The monthly principal and interest payment on modified loans may vary, and may increase, during the remaining life of the loan.
- (3) Includes loans that paid off.

Fannie Mae Multifamily Credit Profile by Loan Attributes

As of December 31, 2009 ⁽⁵⁾	Unpaid Principal Balance (Billions)	% of Multifamily Guaranty Book of Business	% Seriously Delinquent ⁽³⁾	% of 2009 Credit Losses
Total Multifamily Guaranty Book of Business ^{(1) (2)}	\$182.17	100%	0.63%	100%
Originating loan-to-value ratio:				
Less than or equal to 80%	\$172.62	95%	0.63%	95%
Greater than 80%	\$9.56	5%	0.50%	5%
Loan Size Distribution:				
Less than or equal to \$750K	\$4.59	3%	1.27%	4%
Greater than \$750K and less than or equal to \$3M	\$23.06	13%	1.01%	17%
Greater than \$3M and less than or equal to \$5M	\$17.19	9%	1.08%	11%
Greater than \$5M and less than or equal to \$25M	\$75.07	41%	0.60%	59%
Greater than \$25M	\$62.25	34%	0.34%	9%
Credit Enhanced Loans:				
Credit Enhanced	\$162.53	89%	0.54%	60%
Non-Credit Enhanced	\$19.64	11%	1.33%	40%
Delegated Underwriting and Servicing (DUS®) Loans: ⁽⁴⁾				
DUS®	\$137.38	75%	0.39%	86%
Remaining Book	\$44.79	25%	1.36%	14%
Maturity Dates:				
Loans maturing in 2010	\$3.79	2%	1.55%	9%
Loans maturing in 2011	\$8.37	5%	0.64%	6%
Loans maturing in 2012	\$18.00	10%	1.13%	17%
Loans maturing in 2013	\$21.01	12%	0.22%	11%
Loans maturing in 2014	\$15.72	9%	0.62%	7%
Other	\$115.27	63%	0.59%	50%

(1) Excludes loans that have been defeased. Defeasance is prepayment of a loan through substitution of collateral, such as Treasury securities.

(2) Consists of the portion of our multifamily guaranty book of business for which we have access to detailed loan level information, which constituted over 98% of our total multifamily guaranty book of business as of December 31, 2009.

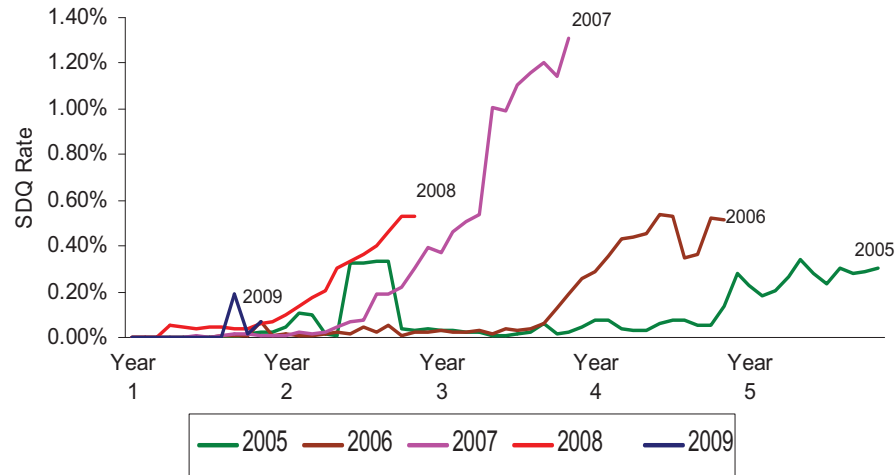
(3) Multifamily loans and securities that are 60 days or more past due.

(4) Under the Delegated Underwriting and Servicing, or DUS®, product line, Fannie Mae purchases 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 our pre review.

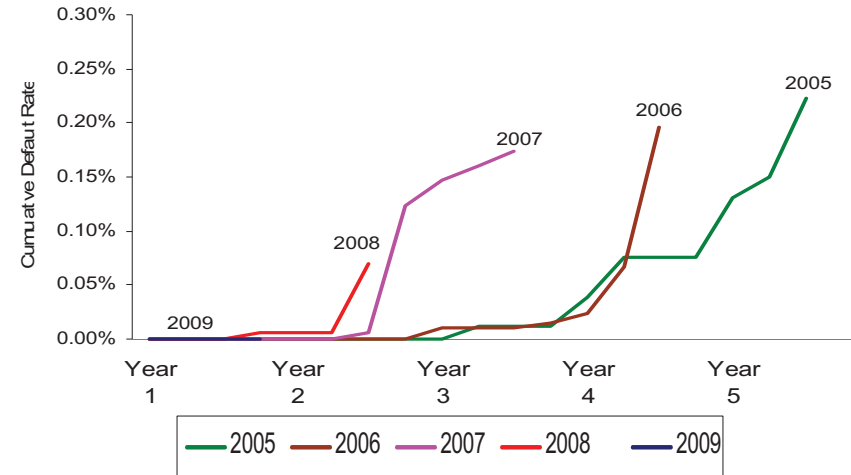
(5) Numbers may not tie due to rounding.

Fannie Mae Multifamily Credit Profile by Acquisition Year

Multifamily SDQ Rate by Acquisition Year



Cumulative Defaults by Acquisition Year



As of December 31, 2009 ⁽⁵⁾	Unpaid Principal Balance (Billions)	% of Multifamily Guaranty Book of Business	% Seriously Delinquent ⁽³⁾	% of 2009 Credit Losses
Total Multifamily Guaranty Book of Business ^{(1) (2)}	\$182.17	100%	0.63%	100%
By Acquisition Year: ⁽⁴⁾				
2009	\$19.70	11%	0.08%	0%
2008	\$34.72	19%	0.42%	16%
2007	\$44.29	24%	1.24%	23%
2006	\$19.94	11%	0.49%	6%
2005	\$17.82	10%	0.25%	10%
Prior to 2005	\$45.70	25%	0.64%	45%

(1) Excludes loans that have been defeased. Defeasance is prepayment of a loan through substitution of collateral, such as Treasury securities.

(2) Consists of the portion of our multifamily guaranty book of business for which we have access to detailed loan level information, which constituted over 98% of our total multifamily guaranty book of business as of December 31, 2009.

(3) Multifamily loans and securities that are 60 days or more past due.

(4) Includes only active loans.

(5) Numbers may not tie due to rounding.

Fannie Mae

2010 First Quarter Credit Supplement



May 10, 2010

- **These materials present tables and other information about Fannie Mae, including information contained in Fannie Mae's Quarterly Report on Form 10-Q for the quarter ended March 31, 2010, the "2010 Q1 Form 10-Q." Some of the terms used in these materials are defined and discussed more fully in the 2010 Q1 Form 10-Q. These materials should be reviewed together with the 2010 Q1 Form 10-Q, copies of which are available in the "Investor Information" section of Fannie Mae's Web site at www.fanniemae.com.**
- **Some of the information in this presentation is based upon information that we received from third-party sources such as sellers and servicers of mortgage loans. Although we generally consider this information reliable, we do not independently verify all reported information.**
- **This presentation includes forward-looking statements relating to future home price changes. These statements are based on our opinions, analyses, estimates, forecasts and other views on a variety of economic and other information, and changes in the assumptions and other information underlying these views could produce materially different results. The impact of future home price changes on our business, results or financial condition will depend on many other factors.**

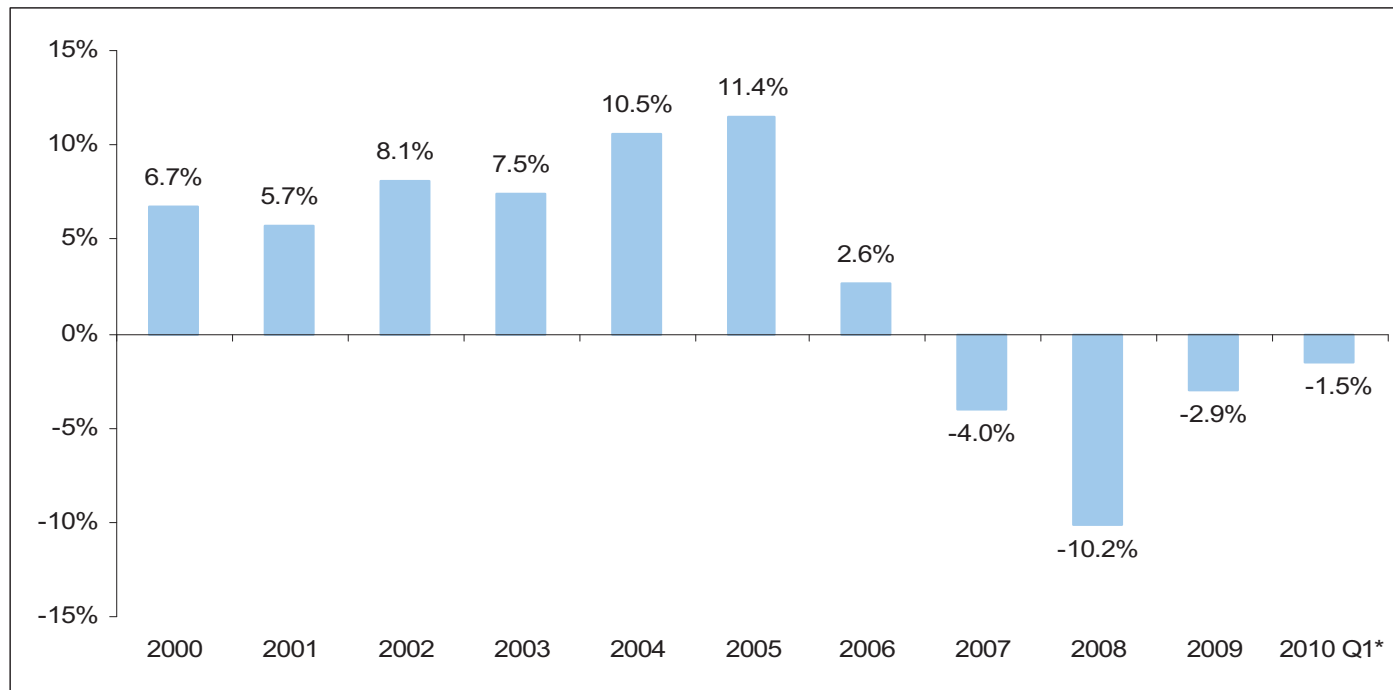
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Home Price Growth/Decline Rates in the U.S.

Fannie Mae Home Price Index



S&P/Case-Shiller Index	9.8%	7.7%	10.6%	10.7%	14.6%	14.7%	-0.3%	-8.5%	-18.3%	-2.5%
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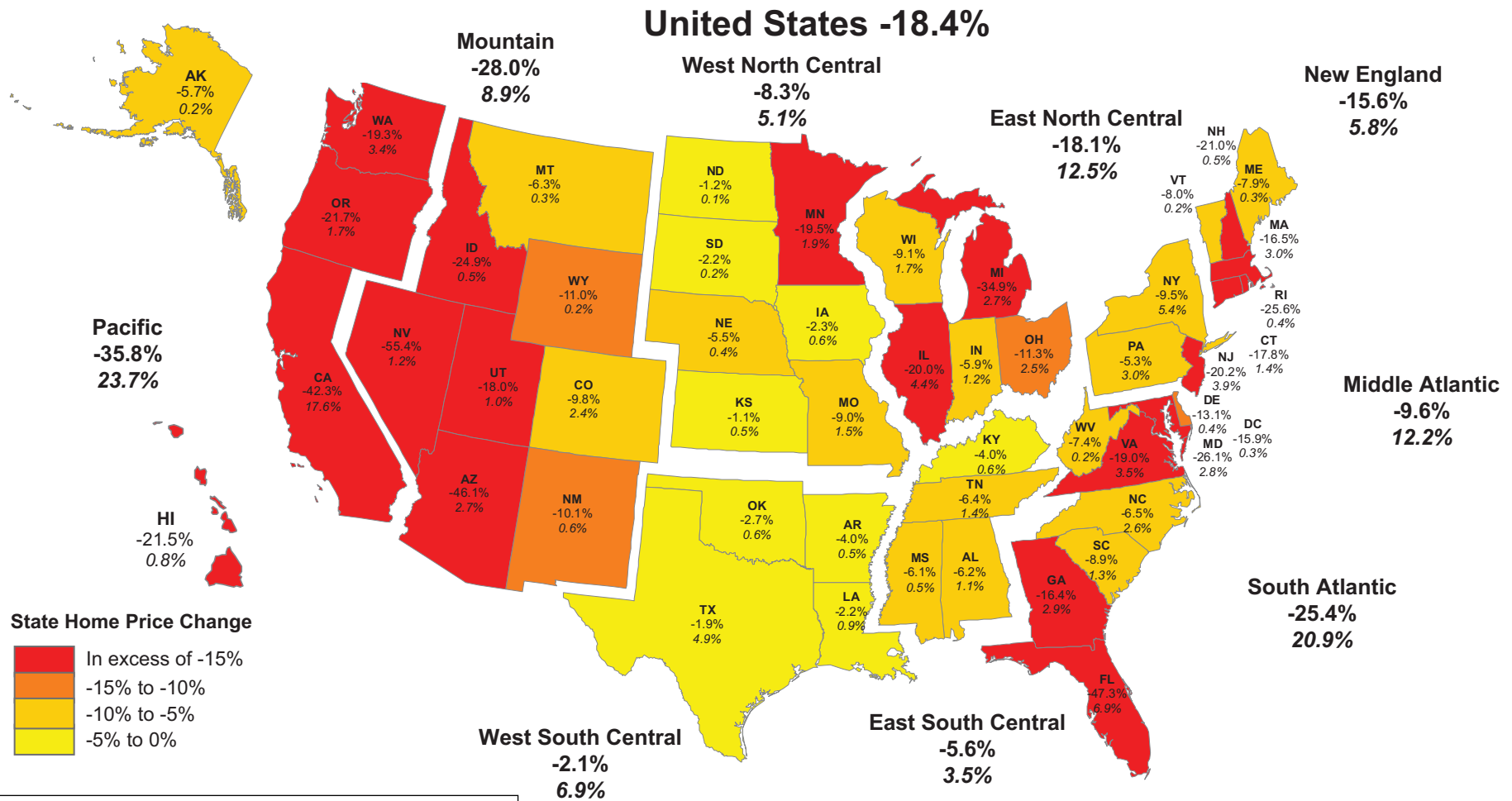
Growth rates are from period-end to period-end.

* Initial estimate based on purchase transactions in Fannie Freddie acquisition and public deed data available through the end of March 2010, supplemented by preliminary data available for April and May 2010. Including subsequent data may lead to materially different results.

We expect peak-to-trough declines in home prices to be in the 18% to 23% range (comparable to a decline of 32% to 40% range using the S&P/Case-Shiller index method).

Note: Our estimates differ from the S&P/Case Shiller index in two principal ways: (1) our estimates weight expectations for each individual property by number of properties, whereas the S&P/Case Shiller index weights expectations of home price declines based on property value, causing declines in home prices on higher priced homes to have a greater effect on the overall result; and (2) our estimates do not include known sales of foreclosed homes because we believe that differing maintenance practices and the forced nature of the sales make foreclosed home prices less representative of market values, whereas the S&P/Case Shiller index includes sales of foreclosed homes. The S&P/Case Shiller comparison numbers shown above for the peak to trough forecast are calculated using our models and assumptions, but modified to use these two factors (weighting of expectations based on property value and the inclusion of foreclosed property sales). In addition to these differences, our estimates are based on our own internally available data combined with publicly available data, and are therefore based on data collected nationwide, whereas the S&P/Case Shiller index is based only on publicly available data, which may be limited in certain geographic areas of the country. Our comparative calculations to the S&P/Case Shiller index provided above are not modified to account for this data pool difference.

Home Price Declines Peak-to-Current (by State) as of 2010 Q1



- Top %: State/Region Home Price Decline Rate % from applicable peak in that state through March 31, 2010
 -Bottom %: % of Fannie Mae single-family conventional guaranty book of business by unpaid principal balance as of March 31, 2010

Note: Regional home price decline percentages are a housing stock unit-weighted average of home price decline percentages of states within each region.

Initial estimate based on purchase transactions in Fannie Freddie acquisition and public deed data available through the end of March 2010, supplemented by preliminary data available for April and May 2010. Including subsequent data may lead to materially different results.

Fannie Mae Acquisition Profile by Key Product Features

Credit Characteristics of Single-Family Business Volume ⁽¹⁾

Acquisition Year	2010 Q1	2009	2008	2007	2006
Unpaid Principal Balance (billions)	\$ 116.0	\$ 684.7	\$ 557.2	\$ 643.8	\$ 515.8
Weighted Average Origination Note Rate	4.89%	4.93%	6.00%	6.51%	6.45%
Original Loan-to-Value Ratio					
<= 60%	30.4%	32.6%	22.7%	16.7%	18.6%
>60% and <= 70%	15.5%	17.0%	16.1%	13.5%	15.1%
>70% and <= 80%	37.3%	39.9%	39.5%	44.7%	49.6%
>80% and <= 90%	9.4%	6.9%	11.7%	9.1%	6.8%
>90% and <= 100%	5.6%	3.3%	10.0%	15.8%	9.7%
> 100%	1.8%	0.4%	0.1%	0.1%	0.2%
Weighted Average Original Loan-to-Value Ratio	68.5%	66.8%	72.0%	75.5%	73.4%
FICO Scores ⁽²⁾					
0 to < 620	0.7%	0.4%	2.8%	6.4%	6.2%
>= 620 and < 660	2.1%	1.5%	5.7%	11.5%	11.2%
>=660 and < 700	7.8%	6.5%	13.9%	19.2%	19.6%
>=700 and < 740	17.8%	17.2%	21.7%	22.6%	23.0%
>=740	71.5%	74.4%	55.8%	40.1%	39.7%
Missing	0.1%	0.1%	0.1%	0.1%	0.2%
Weighted Average FICO ⁽²⁾	758	761	738	716	716
Product					
Fixed-rate	92.0%	96.6%	91.7%	90.1%	83.4%
Adjustable-rate	8.0%	3.4%	8.3%	9.9%	16.6%
Alt-A	0.0%	0.0%	3.1%	16.7%	21.8%
Subprime	0.0%	0.0%	0.3%	0.7%	0.7%
Interest Only	2.2%	1.0%	5.6%	15.2%	15.2%
Negative Amortizing	0.0%	0.0%	0.0%	0.3%	3.1%
Refinance	78.5%	79.9%	58.6%	50.4%	48.3%
HARP ⁽³⁾	11.9%	3.8%	—	—	—
HARP Weighted Average Original Loan-to-Value Ratio ⁽³⁾	91.7%	90.7%	—	—	—
Investor	4.9%	2.5%	5.6%	6.5%	7.0%
Condo/Co-op	10.0%	8.2%	10.3%	10.4%	10.5%

(1) Percentage calculated based on unpaid principal balance of loans at time of acquisition. Single family business volume refers to both single family mortgage loans we purchase for our mortgage portfolio and single family mortgage loans we securitize into Fannie Mae MBS.

(2) FICO Credit scores reported in the table are those provided by the sellers of the mortgage loans at time of delivery.

(3) The Home Affordable Refinance Program (HARP) started in April 2009.

Fannie Mae Credit Profile by Key Product Features

Credit Characteristics of Single-Family Conventional Guaranty Book of Business

As of March 31, 2010	Categories Not Mutually Exclusive ⁽¹⁾								Sub-total of Key Product Features ⁽¹⁾	Overall Book
	Negative Amortizing Loans	Interest Only Loans	Loans with FICO < 620 ⁽³⁾	Loans with FICO ≥ 620 and < 660 ⁽³⁾	Loans with Original LTV Ratio > 90%	Loans with FICO < 620 and Original LTV Ratio > 90% ⁽³⁾	Alt-A Loans	Subprime Loans		
Unpaid Principal Balance (billions) ⁽²⁾	\$13.0	\$177.3	\$107.0	\$225.1	\$262.8	\$23.4	\$238.3	\$7.2	\$821.2	\$2,797.6
Share of Single Family Conventional Guaranty Book	0.5%	6.3%	3.8%	8.0%	9.4%	0.8%	8.5%	0.3%	29.4%	100.0%
Average Unpaid Principal Balance ⁽²⁾	\$128,617	\$243,452	\$123,789	\$138,534	\$144,817	\$118,474	\$165,907	\$148,830	\$152,136	\$153,780
Serious Delinquency Rate	10.09%	20.82%	17.86%	13.20%	12.93%	26.94%	16.22%	31.47%	13.13%	5.47%
Origination Years 2005 2007	59.7%	77.7%	54.8%	52.6%	51.4%	68.2%	73.4%	80.5%	57.6%	34.3%
Weighted Average Original Loan to Value Ratio	71.2%	75.5%	76.6%	77.3%	97.2%	98.1%	73.0%	77.2%	79.7%	71.3%
Original Loan to Value Ratio > 90%	0.3%	9.1%	21.9%	20.7%	100.0%	100.0%	5.4%	6.8%	32.0%	9.4%
Weighted Average Mark to Market Loan to Value Ratio	99.7%	108.5%	84.0%	85.8%	105.8%	106.5%	94.1%	99.6%	92.8%	75.9%
Mark to Market Loan to Value Ratio > 100% and ≤ 125%	14.3%	23.9%	15.6%	15.6%	32.7%	35.0%	16.3%	20.2%	19.9%	9.5%
Mark to Market Loan to Value Ratio > 125%	34.5%	27.1%	9.2%	10.7%	15.8%	16.8%	18.8%	18.5%	14.1%	6.3%
Weighted Average FICO ⁽³⁾	706	725	588	641	700	592	717	622	687	731
FICO < 620 ⁽³⁾	7.4%	1.3%	100.0%	—	8.9%	100.0%	0.7%	48.6%	13.0%	3.8%
Fixed rate	0.3%	38.1%	91.2%	90.9%	93.2%	91.9%	71.6%	76.5%	80.2%	91.2%
Primary Residence	69.0%	85.0%	96.7%	94.2%	97.0%	99.4%	77.2%	96.6%	89.6%	89.9%
Condo/Co op	14.1%	16.5%	4.9%	6.6%	9.9%	6.0%	10.9%	4.4%	9.7%	9.4%
Credit Enhanced ⁽⁴⁾	67.1%	24.4%	32.0%	32.3%	85.4%	91.1%	27.6%	59.9%	39.6%	16.8%
% of 2007 Credit Losses ⁽⁵⁾	0.9%	15.0%	18.8%	21.9%	17.4%	6.4%	27.8%	1.0%	72.3%	100.0%
% of 2008 Credit Losses ⁽⁵⁾	2.9%	34.2%	11.8%	17.4%	21.3%	5.4%	45.6%	2.0%	81.3%	100.0%
% of 2009 Credit Losses ⁽⁵⁾	2.0%	32.6%	8.8%	15.5%	19.2%	3.4%	39.6%	1.5%	75.0%	100.0%
% of 2009 Q1 Credit Losses ⁽⁵⁾	1.8%	34.2%	10.7%	16.0%	22.5%	4.9%	39.2%	2.0%	77.7%	100.0%
% of 2009 Q2 Credit Losses ⁽⁵⁾	2.2%	32.2%	9.2%	16.0%	19.7%	3.5%	41.2%	1.1%	76.0%	100.0%
% of 2009 Q3 Credit Losses ⁽⁵⁾	1.8%	31.8%	8.6%	15.3%	18.9%	3.2%	39.1%	1.6%	74.4%	100.0%
% of 2009 Q4 Credit Losses ⁽⁵⁾	2.0%	32.6%	7.7%	15.1%	17.1%	2.6%	39.0%	1.3%	73.2%	100.0%
% of 2010 Q1 Credit Losses ⁽⁵⁾	2.6%	30.7%	7.1%	14.1%	16.3%	2.5%	36.5%	1.0%	70.3%	100.0%

- (1) Loans with multiple product features are included in all applicable categories. The subtotal is calculated by counting a loan only once even if it is included in multiple categories.
- (2) Excludes non Fannie Mae securities held in portfolio and those Alt A and subprime wraps for which Fannie Mae does not have loan level information. Fannie Mae had access to detailed loan level information which constituted over 99% of its single family conventional guaranty book of business as of March 31, 2010.
- (3) FICO Credit scores reported in the table are those provided by the sellers of the mortgage loans at time of delivery.
- (4) Unpaid principal balance of all loans with credit enhancement as a percentage of unpaid principal balance of single family conventional guaranty book of business for which Fannie Mae had access to loan level information. Includes primary mortgage insurance, pool insurance, lender recourse and other credit enhancement.
- (5) Expressed as a percentage of credit losses for the single family guaranty book of business. For information on total credit losses, refer to Fannie Mae's 2010 Q1 Form 10 Q.

Fannie Mae Credit Profile by Origination Year and Key Product Features

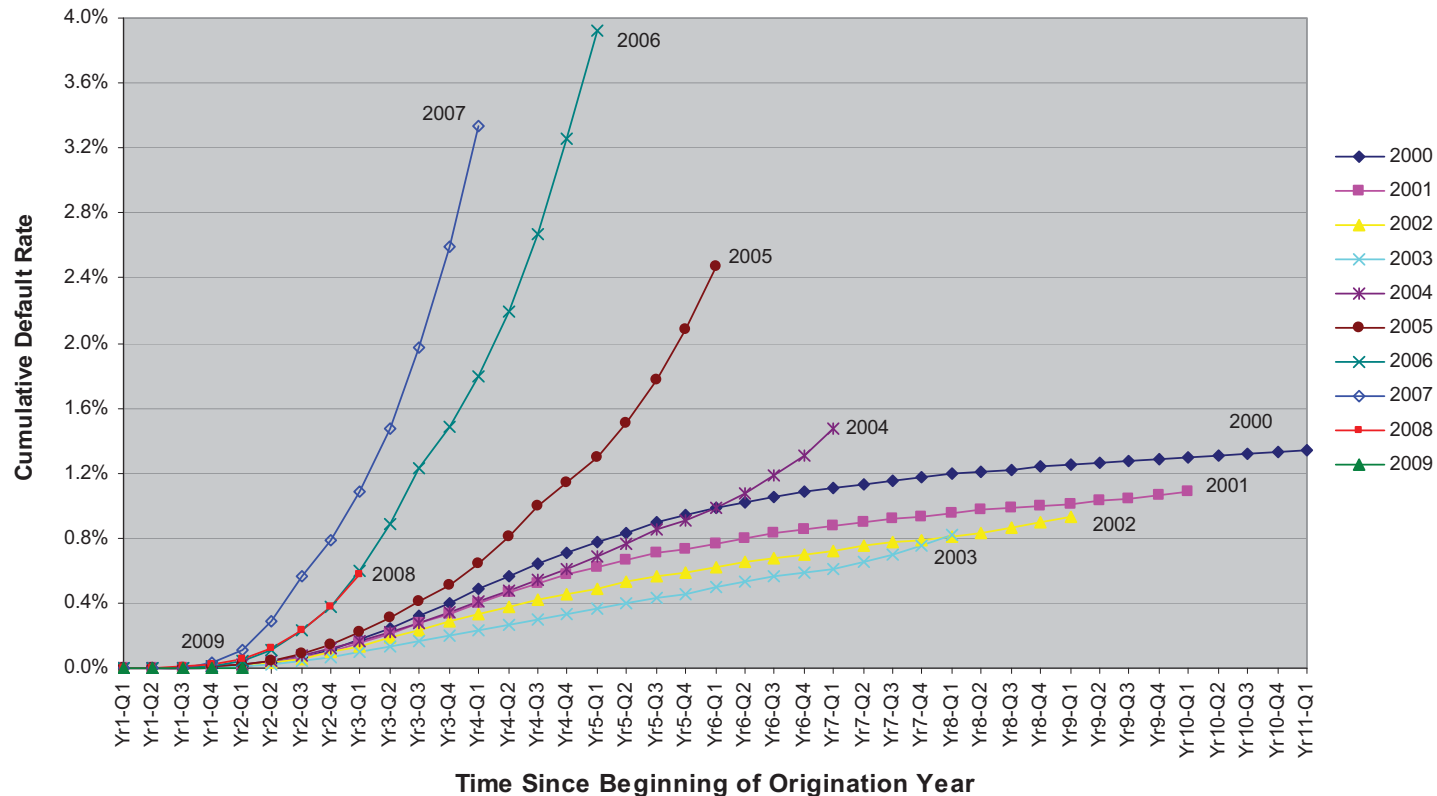
Credit Characteristics of Single-Family Conventional Guaranty Book of Business by Origination Year

As of March 31, 2010	Overall Book	Origination Year						
		2010	2009	2008	2007	2006	2005	2004 and Earlier
Unpaid Principal Balance (billions) ⁽¹⁾	\$2,797.6	\$61.7	\$660.4	\$334.2	\$401.8	\$277.8	\$280.6	\$781.2
Share of Single Family Conventional Guaranty Book	100.0%	2.2%	23.6%	11.9%	14.4%	9.9%	10.0%	27.9%
Average Unpaid Principal Balance ⁽¹⁾	\$153,780	\$219,774	\$216,324	\$193,161	\$183,158	\$167,729	\$156,345	\$104,375
Serious Delinquency Rate	5.47%	0.00%	0.08%	4.51%	14.85%	13.42%	7.58%	3.08%
Weighted Average Original Loan to Value Ratio	71.3%	68.7%	67.0%	73.4%	77.6%	74.8%	72.3%	69.3%
Original Loan to Value Ratio > 90%	9.4%	8.3%	4.0%	10.8%	19.7%	11.7%	8.4%	7.7%
Weighted Average Mark to Market Loan to Value Ratio	75.9%	68.5%	67.9%	81.5%	99.4%	100.0%	86.5%	56.5%
Mark to Market Loan to Value Ratio > 100% and <= 125%	9.5%	2.2%	1.2%	13.3%	23.8%	18.8%	13.6%	3.3%
Mark to Market Loan to Value Ratio > 125%	6.3%	0.0%	0.0%	2.9%	16.5%	19.8%	11.8%	1.3%
Weighted Average FICO ⁽²⁾	731	757	761	736	709	712	720	722
FICO < 620 ⁽²⁾	3.8%	0.8%	0.4%	2.6%	7.3%	6.0%	4.5%	4.7%
Interest Only	6.3%	2.0%	1.0%	5.5%	15.4%	17.2%	10.0%	1.7%
Negative Amortizing	0.5%	0.0%	0.0%	0.0%	0.1%	1.2%	1.4%	0.7%
Fixed rate	91.2%	93.1%	96.8%	92.7%	89.4%	84.9%	83.6%	91.5%
Primary Residence	89.9%	90.3%	92.7%	88.3%	88.2%	86.4%	87.5%	91.3%
Condo/Co op	9.4%	9.5%	8.3%	11.4%	11.4%	11.7%	10.3%	7.3%
Credit Enhanced ⁽³⁾	16.8%	5.8%	6.6%	24.0%	31.5%	24.9%	18.5%	12.0%
% of 2007 Credit Losses ⁽⁴⁾	100.0%	—	—	—	1.9%	21.3%	23.6%	53.2%
% of 2008 Credit Losses ⁽⁴⁾	100.0%	—	—	0.5%	27.9%	34.9%	19.3%	17.3%
% of 2009 Credit Losses ⁽⁴⁾	100.0%	—	0.0%	4.8%	36.0%	30.9%	16.4%	11.9%
% of 2009 Q1 Credit Losses ⁽⁴⁾	100.0%	—	0.0%	2.6%	34.0%	31.7%	17.6%	14.1%
% of 2009 Q2 Credit Losses ⁽⁴⁾	100.0%	—	0.0%	4.3%	34.6%	31.7%	16.6%	12.7%
% of 2009 Q3 Credit Losses ⁽⁴⁾	100.0%	—	0.0%	5.4%	37.5%	30.3%	15.8%	11.1%
% of 2009 Q4 Credit Losses ⁽⁴⁾	100.0%	—	0.0%	6.0%	36.8%	30.4%	16.2%	10.6%
% of 2010 Q1 Credit Losses ⁽⁴⁾	100.0%	0.0%	0.1%	6.6%	36.6%	30.2%	16.0%	10.6%
Cumulative Default Rate ⁽⁵⁾	—	0.00%	0.00%	0.57%	3.34%	3.92%	2.47%	—

- (1) Excludes non Fannie Mae securities held in portfolio and those Alt A and subprime wraps for which Fannie Mae does not have loan level information. Fannie Mae had access to detailed loan level information which constituted over 99% of its single family conventional guaranty book of business as of March 31, 2010.
- (2) FICO Credit scores reported in the table are those provided by the sellers of the mortgage loans at time of delivery.
- (3) Unpaid principal balance of all loans with credit enhancement as a percentage of unpaid principal balance of single family conventional guaranty book of business for which Fannie Mae has access to loan level information. Includes primary mortgage insurance, pool insurance, lender recourse and other credit enhancement.
- (4) Expressed as a percentage of credit losses for the single family guaranty book of business. For information on total credit losses, refer to Fannie Mae's 2010 Q1 Form 10 Q.
- (5) Defaults include loan liquidations other than through voluntary pay off or repurchase by lenders and includes loan foreclosures, preforeclosure sales, sales to third parties 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. For 2000 to 2004 cumulative default rates, refer to slide 8.

Fannie Mae Single-Family Cumulative Default Rates

Cumulative Default Rates of Single-Family Conventional Guaranty Book of Business by Origination Year



Note: Defaults include loan liquidations other than through voluntary pay off or repurchase by lenders and include loan foreclosures, preforeclosure sales, sales to third parties 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 March 31, 2010 are not necessarily indicative of the ultimate performance of the loans and performance is likely to change, perhaps materially, in future periods.

Fannie Mae Credit Profile by State

Credit Characteristics of Single-Family Conventional Guaranty Book of Business by State

As of March 31, 2010	Overall Book	AZ	CA	FL	NV	Select Midwest States ⁽⁵⁾
Unpaid Principal Balance (billions) ⁽¹⁾	\$2,797.6	\$74.8	\$492.3	\$192.7	\$34.2	\$302.0
Share of Single Family Conventional Guaranty Book	100.0%	2.7%	17.6%	6.9%	1.2%	10.8%
Average Unpaid Principal Balance ⁽¹⁾	\$153,780	\$158,093	\$215,267	\$143,808	\$174,628	\$123,154
Serious Delinquency Rate	5.47%	8.76%	5.72%	13.27%	13.95%	5.65%
Origination Years 2005-2007	34.3%	50.0%	29.4%	53.1%	53.2%	31.7%
Weighted Average Original Loan to Value Ratio	71.3%	73.8%	63.6%	73.2%	74.6%	74.7%
Original Loan to Value Ratio > 90%	9.4%	10.1%	3.2%	10.4%	9.5%	12.1%
Weighted Average Mark to Market Loan to Value Ratio	75.9%	103.2%	76.5%	103.0%	130.0%	79.5%
Mark to Market Loan to Value Ratio >100% and <=125%	9.5%	19.4%	11.3%	19.1%	16.5%	13.7%
Mark to Market Loan to Value Ratio >125%	6.3%	27.5%	10.8%	28.6%	50.8%	4.4%
Weighted Average FICO ⁽²⁾	731	730	740	720	727	726
FICO < 620 ⁽²⁾	3.8%	3.2%	2.2%	5.0%	2.9%	4.7%
Interest Only	6.3%	13.1%	10.1%	10.5%	18.2%	3.7%
Negative Amortizing	0.5%	0.6%	1.5%	1.0%	1.6%	0.1%
Fixed rate	91.2%	86.2%	86.7%	87.4%	78.9%	91.5%
Primary Residence	89.9%	83.4%	88.7%	82.0%	80.2%	93.7%
Condo/Co op	9.4%	5.2%	11.9%	15.2%	7.3%	10.7%
Credit Enhanced ⁽³⁾	16.8%	17.7%	8.2%	19.5%	20.5%	20.1%
% of 2007 Credit Losses ⁽⁴⁾	100.0%	1.8%	7.2%	4.7%	1.2%	46.6%
% of 2008 Credit Losses ⁽⁴⁾	100.0%	8.0%	25.2%	10.9%	4.9%	21.1%
% of 2009 Credit Losses ⁽⁴⁾	100.0%	10.8%	24.4%	15.5%	6.5%	14.8%
% of 2009 Q1 Credit Losses ⁽⁴⁾	100.0%	12.2%	26.3%	12.0%	7.2%	13.8%
% of 2009 Q2 Credit Losses ⁽⁴⁾	100.0%	11.0%	24.7%	14.6%	6.3%	16.2%
% of 2009 Q3 Credit Losses ⁽⁴⁾	100.0%	9.3%	23.9%	16.7%	6.9%	14.9%
% of 2009 Q4 Credit Losses ⁽⁴⁾	100.0%	11.2%	23.6%	17.1%	6.0%	14.4%
% of 2010 Q1 Credit Losses ⁽⁴⁾	100.0%	10.8%	24.9%	18.0%	4.6%	14.6%

(1) Excludes non Fannie Mae securities held in portfolio and those Alt A and subprime wraps for which Fannie Mae does not have loan level information. Fannie Mae had access to detailed loan level information which constituted over 99% of its single family conventional guaranty book of business as of March 31, 2010.

(2) FICO Credit scores reported in the table are those provided by the sellers of the mortgage loans at time of delivery.

(3) Unpaid principal balance of all loans with credit enhancement as a percentage of unpaid principal balance of single family conventional guaranty book of business for which Fannie Mae has access to loan level information. Includes primary mortgage insurance, pool insurance, lender recourse and other credit enhancement.

(4) Expressed as a percentage of credit losses for the single family guaranty book of business. For information on total credit losses, refer to Fannie Mae's 2010 Q1 Form 10 Q.

(5) Select Midwest states are Illinois, Indiana, Michigan and Ohio.

Fannie Mae Single-Family Serious Delinquency Rates by State and Region ⁽¹⁾

State	March 31, 2010	December 31, 2009	September 30, 2009	June 30, 2009	March 31, 2009
Arizona	8.76%	8.80%	7.87%	6.54%	5.00%
California	5.72%	5.73%	5.06%	4.23%	3.33%
Florida	13.27%	12.82%	11.31%	9.71%	8.07%
Nevada	13.95%	13.00%	11.16%	9.33%	7.05%
Select Midwest States ⁽²⁾	5.65%	5.62%	4.98%	4.16%	3.36%
All conventional single-family loans	5.47%	5.38%	4.72%	3.94%	3.15%
Region ⁽³⁾					
Midwest	4.96%	4.97%	4.42%	3.71%	3.02%
Northeast	4.74%	4.53%	3.91%	3.20%	2.53%
Southeast	7.22%	7.06%	6.18%	5.21%	4.24%
Southwest	4.17%	4.19%	3.71%	3.07%	2.45%
West	5.55%	5.45%	4.77%	3.96%	3.06%
All conventional single-family loans	5.47%	5.38%	4.72%	3.94%	3.15%

(1) Calculated based on the number of loans in Fannie Mae's single-family conventional guaranty book of business within each specified category.

(2) Select Midwest states are Illinois, Indiana, Michigan and Ohio.

(3) For information on which states are included in each region, refer to Fannie Mae's 2010 Q1 Form 10-Q.

Home Price Growth/Decline and Fannie Mae Real Estate Owned (REO) in Selected States

State	REO Acquisitions (Number of Properties)				REO Inventory as of March 31, 2010	REO Inventory as of March 31, 2009	5-Year Annualized HP Growth April 2005 to March 2010 ⁽¹⁾	1-Year HP Growth April 2009 to March 2010 ⁽¹⁾
	2010 Q1	2009	2008	2007				
Arizona	5,374	12,854	5,532	751	7,779	4,826	-6.2%	-2.9%
California	8,700	19,565	10,624	1,681	14,676	8,207	-7.8%	-0.7%
Florida	6,556	13,282	6,159	1,714	9,304	3,840	-7.3%	-2.1%
Nevada	1,451	6,075	2,906	530	2,550	2,405	-12.8%	-11.4%
Select Midwest States ⁽²⁾	12,058	28,464	23,668	16,678	26,389	16,127	-3.3%	-1.4%
All other States	27,790	65,377	45,763	27,767	49,291	26,966	0.5%	-0.9%
Total	61,929	145,617	94,652	49,121	109,989	62,371	-1.7%	-1.1%

(1) Initial estimate based on purchase transactions in Fannie Freddie acquisition and public deed data available through the end of March 2010, supplemented by preliminary data available for April and May 2010. Including subsequent data may lead to materially different results.

(2) Select Midwest states are Illinois, Indiana, Michigan and Ohio.

REO Net Sales Prices Compared With Unpaid Principal Balances of Mortgage Loans					
2010 Q1	2009 Q4	2009 Q3	2009 Q2	2009 Q1	2008 Q4
56%	56%	54%	54%	57%	61%

Fannie Mae Alt-A Credit Profile by Key Product Features

Credit Characteristics of Alt-A Single-Family Conventional Guaranty Book of Business by Origination Year

As of March 31, 2010	Alt-A ⁽¹⁾	Origination Year ⁽²⁾				
		2008	2007	2006	2005	2004 and Earlier
Unpaid principal balance (billions) ⁽³⁾	\$238.3	\$6.1	\$62.5	\$67.1	\$45.4	\$57.4
Share of Alt-A	100.0%	2.5%	26.2%	28.1%	19.0%	24.1%
Weighted Average Original Loan-to-Value Ratio	73.0%	67.4%	75.1%	74.2%	72.7%	70.1%
Original Loan-to-Value Ratio > 90%	5.4%	2.4%	8.6%	4.7%	3.3%	4.5%
Weighted Average Mark-to-Market Loan-to-Value Ratio	94.1%	79.2%	105.5%	108.4%	97.7%	63.5%
Mark-to-Market Loan-to-Value Ratio > 100% and <=125%	16.3%	12.5%	22.9%	19.4%	16.5%	5.6%
Mark-to-Market Loan-to-Value Ratio > 125%	18.8%	4.5%	23.5%	27.6%	20.7%	3.2%
Weighted Average FICO ⁽⁴⁾	717	727	712	714	723	721
FICO < 620 ⁽⁴⁾	0.7%	0.2%	0.5%	0.5%	0.4%	1.4%
Adjustable-rate	28.4%	11.6%	23.6%	30.9%	39.9%	23.2%
Interest Only	29.6%	7.1%	38.2%	38.6%	29.5%	12.1%
Negative Amortizing	2.9%	0.0%	0.0%	4.0%	6.6%	2.1%
Investor	17.8%	18.5%	19.6%	17.3%	19.9%	14.7%
Condo/Co-op	10.9%	7.0%	9.9%	11.9%	13.1%	9.4%
California	22.0%	20.4%	22.3%	20.0%	20.8%	25.0%
Florida	11.6%	9.3%	12.2%	13.3%	12.9%	8.2%
Credit Enhanced ⁽⁵⁾	27.6%	13.9%	25.1%	33.9%	31.8%	21.2%
2009 Q1 Serious Delinquency Rate	9.54%	4.20%	13.51%	13.67%	8.86%	3.97%
2009 Q2 Serious Delinquency Rate	11.91%	6.52%	17.05%	16.78%	10.97%	5.02%
2009 Q3 Serious Delinquency Rate	13.97%	8.72%	20.19%	19.43%	12.72%	5.95%
2009 Q4 Serious Delinquency Rate	15.63%	10.55%	22.72%	21.57%	14.24%	6.73%
2010 Q1 Serious Delinquency Rate	16.22%	11.57%	23.71%	22.26%	14.82%	7.04%
% of 2007 Credit Losses ⁽⁶⁾	27.8%	—	0.7%	9.8%	9.7%	7.7%
% of 2008 Credit Losses ⁽⁶⁾	45.6%	0.0%	12.4%	20.2%	9.7%	3.4%
% of 2009 Credit Losses ⁽⁶⁾	39.6%	0.4%	13.4%	15.8%	7.3%	2.7%
% of 2009 Q1 Credit Losses ⁽⁶⁾	39.2%	0.2%	12.2%	16.2%	7.7%	2.9%
% of 2009 Q2 Credit Losses ⁽⁶⁾	41.2%	0.3%	13.5%	16.9%	7.7%	2.8%
% of 2009 Q3 Credit Losses ⁽⁶⁾	39.1%	0.5%	13.7%	15.3%	7.2%	2.5%
% of 2009 Q4 Credit Losses ⁽⁶⁾	39.0%	0.6%	13.7%	15.2%	7.0%	2.5%
% of 2010 Q1 Credit Losses ⁽⁶⁾	36.5%	0.6%	12.8%	14.4%	6.5%	2.3%
Cumulative Default Rate ⁽⁷⁾	—	2.15%	7.28%	7.93%	5.22%	—

- (1) "Alt A mortgage loan" generally refers to a mortgage loan that can be underwritten with reduced or alternative documentation than that required for a full documentation mortgage loan but may also include other alternative product features. In reporting our Alt A exposure, we have classified mortgage loans as Alt A if the lenders that deliver the mortgage loans to us have classified the loans as Alt A based on documentation or other product features. We have classified private label mortgage related securities held in our investment portfolio as Alt A if the securities were labeled as such when issued.
- (2) As a result of our decision to discontinue the purchase of newly originated Alt A loans effective January 1, 2009, no comparable data will be provided for 2009 and 2010.
- (3) Excludes non Fannie Mae securities held in portfolio and those Alt A and subprime wraps for which Fannie Mae does not have loan level information. Fannie Mae had access to detailed loan level information which constituted over 99% of its single family conventional guaranty book of business as of March 31, 2010.
- (4) FICO Credit scores reported in the table are those provided by the sellers of the mortgage loans at time of delivery.
- (5) Defined as unpaid principal balance of Alt A loans with credit enhancement as a percentage of unpaid principal balance of all Alt A loans. At March 31, 2010, 9.7% of unpaid principal balance of Alt A loans carried only primary mortgage insurance (no deductible), 15.5% had only pool insurance (which is generally subject to a deductible), 2.1% had primary mortgage insurance and pool insurance, and 0.4% carried other credit enhancement such as lender recourse.
- (6) Expressed as a percentage of credit losses for the single family guaranty book of business. For information on total credit losses, refer to Fannie Mae's 2010 Q1 Form 10 Q.
- (7) Defaults include loan liquidations other than through voluntary pay off or repurchase by lenders and includes loan foreclosures, preforeclosure sales, sales to third parties 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.

Fannie Mae Alt-A Loans Versus Loans Underlying Private-Label Alt-A Securities

Fannie Mae Alt-A Versus Private-Label Security Conforming Alt-A		
	<u>Fannie Mae Alt-A</u> Outstanding Alt-A loans in Fannie Mae's Single- Family Guaranty Book of Business as of February 2010	<u>Private-Label Alt-A</u> Outstanding loans backing non-agency conforming Alt-A MBS as of February 2010
FICO	718	709
Original Loan to Value Ratio	73%	75%
Combined Loan to Value Ratio at Origination (1)	77%	81%
Geography		
California	22%	27%
Florida	12%	14%
Product Type		
Fixed Rate	72%	51%
Adjustable Rate	28%	49%
Interest Only	20%	24%
Negative Amortizing	3%	20%
Investor	18%	21%

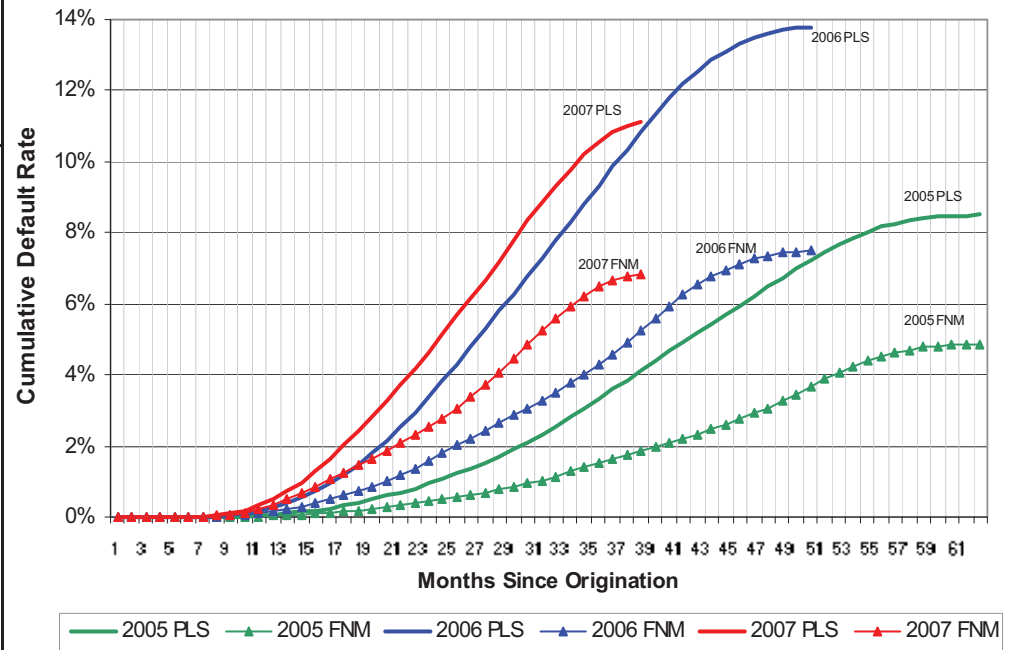
(1) Includes first liens and any subordinate liens present at origination.

(2) The Cumulative Default Rate is based upon the number of months between the loan origination month/year and default month/year.

(3) Due to low amount of Alt-A loans originated in 2008 and 2009, no comparable data has been provided for these years.

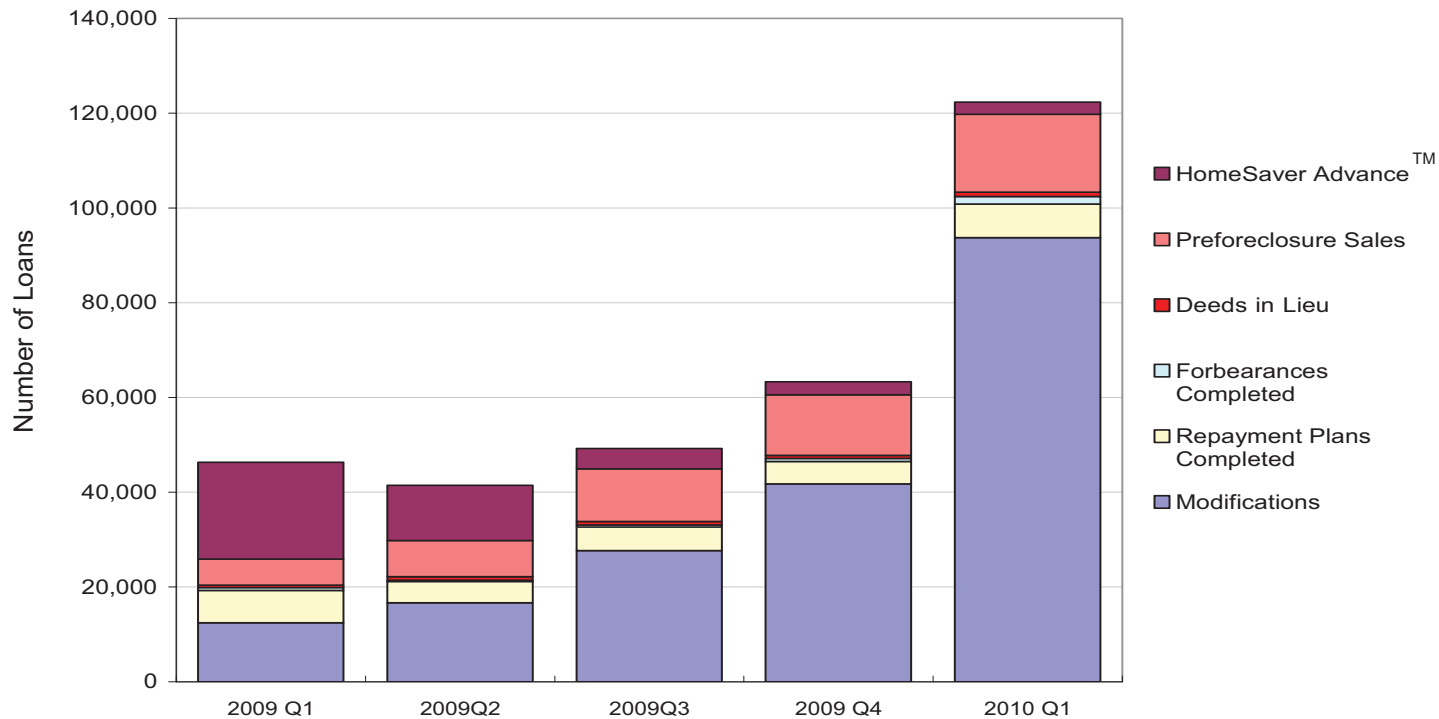
Data as of February 2010 are not necessarily indicative of the ultimate performance of the loans and performance is likely to change, perhaps materially, in future periods.

**Cumulative Default Rates For Fannie Mae Alt-A And Private-Label Alt-A
For 2005, 2006 and 2007 Cohorts ⁽²⁾⁽³⁾**



Note: Private-label securities data source: First American CoreLogic, LoanPerformance data, which estimates it captures 97% of Alt-A private-label securities.

Fannie Mae Workouts by Type



- Modifications involve changes to the original mortgage loan terms, which may include a change to the product type, interest rate, amortization term, maturity date and/or unpaid principal balance. Modifications include completed modifications made under the Administration's Home Affordable Modification Program, which was implemented beginning in March 2009, but do not reflect loans currently in trial modifications under that program. Information on Fannie Mae loans under the Home Affordable Modification Program is provided on Slide 15.
- Repayment plans involve plans to repay past due principal and interest over a reasonable period of time through temporarily higher monthly payments. Loans with completed repayment plans are included for loans that were at least 60 days delinquent at initiation.
- Forbearances involve an agreement to suspend or reduce borrower payments for a period of time. Loans with forbearance plans are included for loans that were at least 90 days delinquent at initiation.
- Deeds in lieu of foreclosure involve the borrower's voluntarily signing over title to the property without the added expense of a foreclosure proceeding.
- In a preforeclosure sale, the borrower, working with the servicer, sells the home prior to foreclosure to pay off all or part of the outstanding loan, accrued interest and other expenses from the sale proceeds.
- HomeSaver Advance™ are unsecured, personal loans designed to help qualified borrowers bring their delinquent mortgage loans current after a temporary financial difficulty.

Home Affordable Modification Program (HAMP)

Fannie Mae Loans Under HAMP

As of March 31, 2010 reporting period	<u>Active HAMP Trials</u>	<u>Permanent HAMP Modification</u>
Total	296,295	79,658
Modification Structure		
Rate Reduction	100%	100%
Term Extension	45%	43%
Forbearance	22%	22%
Median Monthly Principal and Interest Reduction	\$468	\$486
% of March 31, 2010 SDQ Loans ⁽¹⁾	22%	

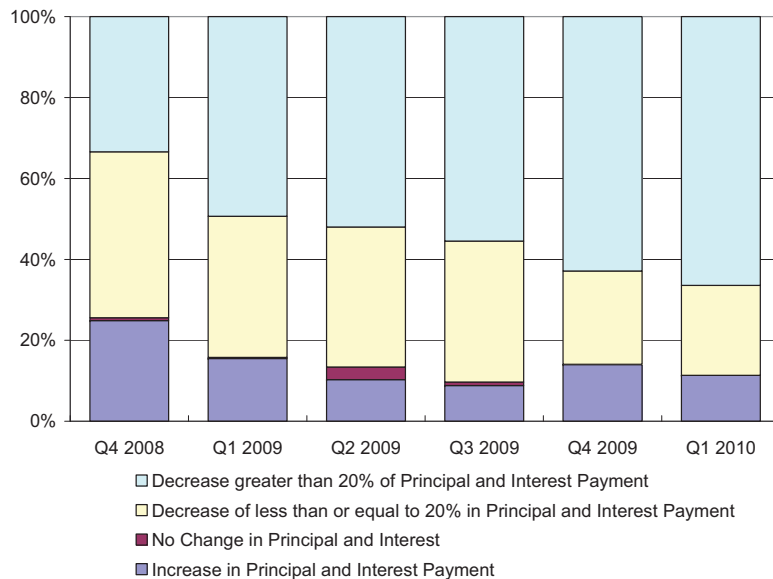
Data Source: United States Treasury Department as reported by servicers to the system of record for the Home Affordable Modification Program.

(1) Re performance rates for modified single family loans, including permanent HAMP modifications, are presented on Slide 16.

- Provides immediate payment relief to borrowers who are delinquent or in imminent risk of payment default.
- We require servicers to first evaluate all Fannie Mae problem loans for HAMP eligibility. If a borrower in default is not eligible for HAMP, our servicers are required to exhaust all other workout alternatives before proceeding to foreclosure.

Fannie Mae Modifications of Single-Family Delinquent Loans

Change in Monthly Principal and Interest Payment of Modified Single-Family Loans⁽¹⁾⁽²⁾



Re-performance Rates of Modified Single-Family Loans⁽¹⁾⁽³⁾

% Current and Performing	Q4 2008	Q1 2009	Q2 2009	Q3 2009	Q4 2009
3 Months post modification	55%	62%	63%	57%	78%
6 months post modification	41%	46%	50%	47%	n/a
9 months post modification	32%	36%	44%	n/a	n/a
12 Months post modification	27%	35%	n/a	n/a	n/a

- (1) Excludes loans that were classified as subprime adjustable rate mortgages that were modified into fixed rate mortgages and were current at the time of modification. Modifications include permanent modifications made under the Administration's Home Affordable Modification Program, which was implemented beginning in March 2009, but do not reflect loans currently in trial modifications under that program. Information on the Home Affordable Modification Program is provided on Slide 15.
- (2) Represents the change in the monthly principal and interest payment at the effective date of the modification. The monthly principal and interest payment on modified loans may vary, and may increase, during the remaining life of the loan.
- (3) Includes loans that paid off.

Fannie Mae Multifamily Credit Profile by Loan Attributes

As of March 31, 2010 ⁽⁵⁾	Unpaid Principal Balance (Billions)	% of Multifamily Guaranty Book of Business	% Seriously Delinquent ⁽³⁾	% of 2010 Q1 Credit Losses
Total Multifamily Guaranty Book of Business ^{(1) (2)}	\$183.5	100%	0.79%	100%
Originating loan-to-value ratio:				
Less than or equal to 80%	\$173.9	95%	0.78%	95%
Greater than 80%	\$9.6	5%	0.91%	5%
Loan Size Distribution:				
Less than or equal to \$750K	\$4.5	3%	1.46%	3%
Greater than \$750K and less than or equal to \$3M	\$23.0	13%	1.22%	19%
Greater than \$3M and less than or equal to \$5M	\$17.3	9%	1.14%	30%
Greater than \$5M and less than or equal to \$25M	\$75.4	41%	0.87%	46%
Greater than \$25M	\$63.3	34%	0.39%	2%
Credit Enhanced Loans:				
Credit Enhanced	\$163.7	89%	0.69%	76%
Non-Credit Enhanced	\$19.8	11%	1.56%	24%
Delegated Underwriting and Servicing (DUS ®) Loans: ⁽⁴⁾				
DUS ®	\$139.1	76%	0.55%	84%
Remaining Book	\$44.4	24%	1.52%	16%
Maturity Dates:				
Loans maturing in 2010	\$3.8	2%	2.50%	7%
Loans maturing in 2011	\$8.4	5%	1.32%	10%
Loans maturing in 2012	\$15.3	8%	1.43%	1%
Loans maturing in 2013	\$21.1	11%	0.53%	2%
Loans maturing in 2014	\$15.9	9%	0.70%	12%
Other	\$119.0	65%	0.67%	69%

(1) Excludes loans that have been defeased. Defeasance is prepayment of a loan through substitution of collateral, such as Treasury securities.

(2) Consists of the portion of our multifamily guaranty book of business for which we have access to detailed loan level information, which constituted over 99% of our total multifamily guaranty book of business as of March 31, 2010.

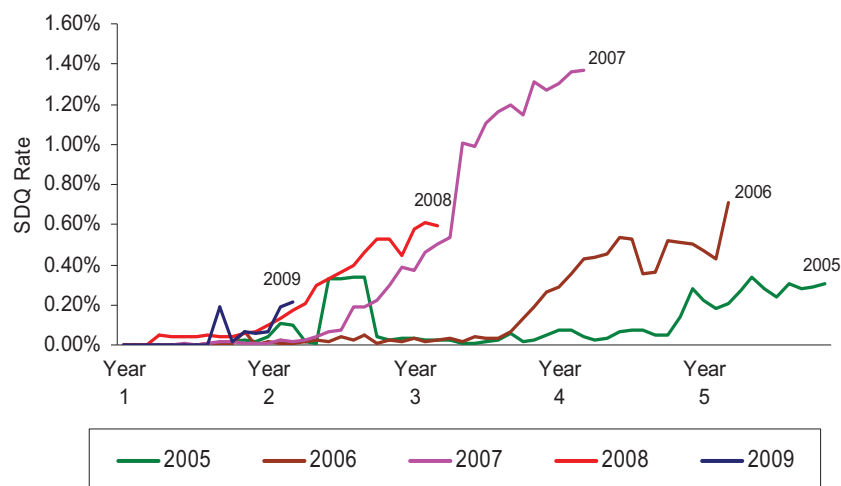
(3) Multifamily loans and securities that are 60 days or more past due.

(4) Under the Delegated Underwriting and Servicing, or DUS ® product line, Fannie Mae purchases 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 our pre review.

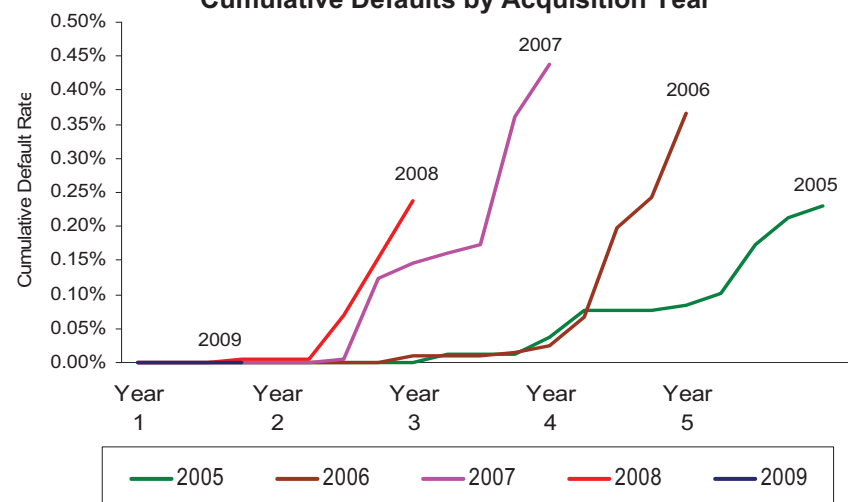
(5) Numbers may not sum due to rounding.

Fannie Mae Multifamily Credit Profile by Acquisition Year

Multifamily SDQ Rate by Acquisition Year



Cumulative Defaults by Acquisition Year



As of March 31, 2010 ⁽⁵⁾	Unpaid Principal Balance (Billions)	% of Multifamily Guaranty Book of Business	% Seriously Delinquent ⁽³⁾	% of 2010 Credit Losses
Total Multifamily Guaranty Book of Business ^{(1) (2)}	\$183.5	100%	0.79%	100%
By Acquisition Year: ⁽⁴⁾				
2010	\$3.2	2%	0.00%	0%
2009	\$19.4	11%	0.21%	0%
2008	\$33.4	18%	0.59%	10%
2007	\$43.4	24%	1.37%	23%
2006	\$19.5	10%	0.71%	25%
2005	\$17.7	9%	0.28%	6%
Prior to 2005	\$47.0	26%	0.90%	37%

(1) Excludes loans that have been defeased. Defeasance is prepayment of a loan through substitution of collateral, such as Treasury securities.

(2) Consists of the portion of our multifamily guaranty book of business for which we have access to detailed loan level information, which constituted over 99% of our total multifamily guaranty book of business as of March 31, 2010.

(3) Multifamily loans and securities that are 60 days or more past due.

(4) Includes only active loans.

(5) Numbers may not sum due to rounding.

Fannie Mae

2010 Second Quarter Credit Supplement



August 5, 2010

- **These materials present tables and other information about Fannie Mae, including information contained in Fannie Mae's Quarterly Report on Form 10-Q for the quarter ended June 30, 2010, the "2010 Q2 Form 10-Q." Some of the terms used in these materials are defined and discussed more fully in the 2010 Q2 Form 10-Q and in Fannie Mae's Form 10-K for the year ended December 31, 2009, the "2009 Form 10-K." These materials should be reviewed together with the 2010 Q2 Form 10-Q and the 2009 Form 10-K, copies of which are available in the "Investor Information" section of Fannie Mae's Web site at www.fanniemae.com.**
- **Some of the information in this presentation is based upon information that we received from third-party sources such as sellers and servicers of mortgage loans. Although we generally consider this information reliable, we do not independently verify all reported information.**
- **This presentation includes forward-looking statements relating to future home price changes. These statements are based on our opinions, analyses, estimates, forecasts and other views on a variety of economic and other information, and changes in the assumptions and other information underlying these views could produce materially different results. The impact of future home price changes on our business, results or financial condition will depend on many other factors.**

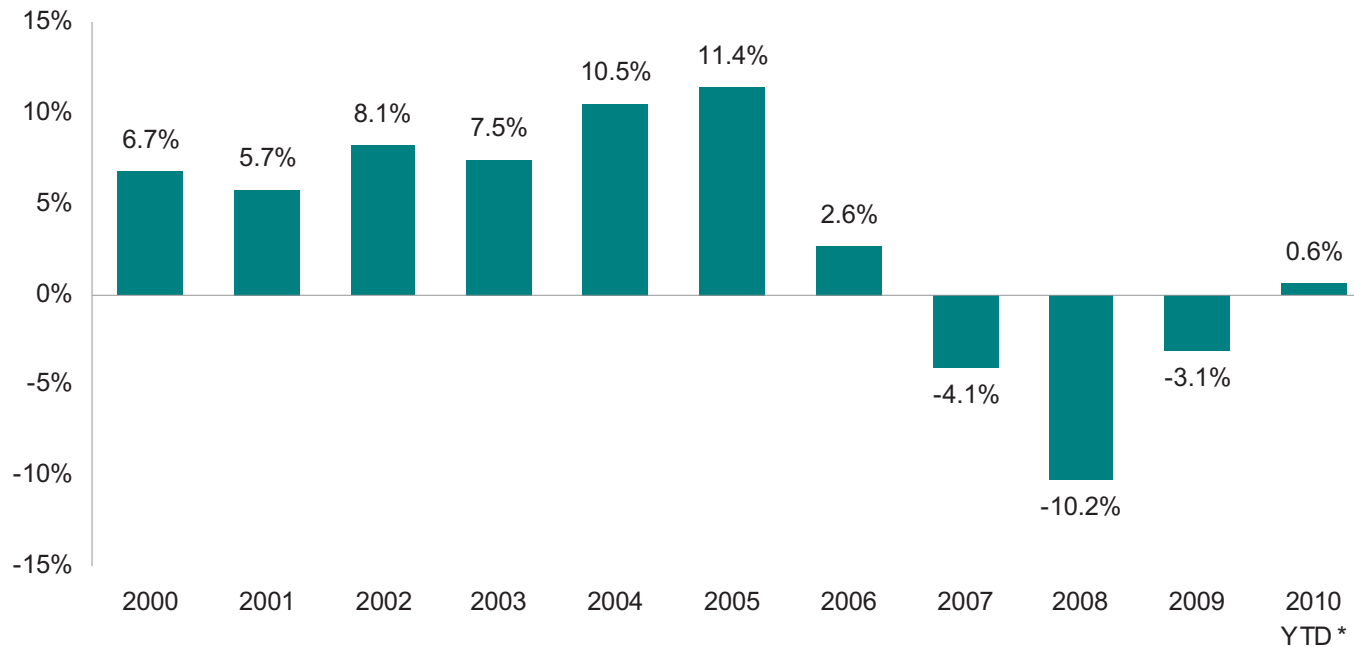
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Home Price Growth/Decline Rates in the U.S.

Fannie Mae Home Price Index



S&P/Case-Shiller Index	9.8%	7.7%	10.6%	10.7%	14.6%	14.7%	-0.3%	-8.4%	-18.3%	-2.3%
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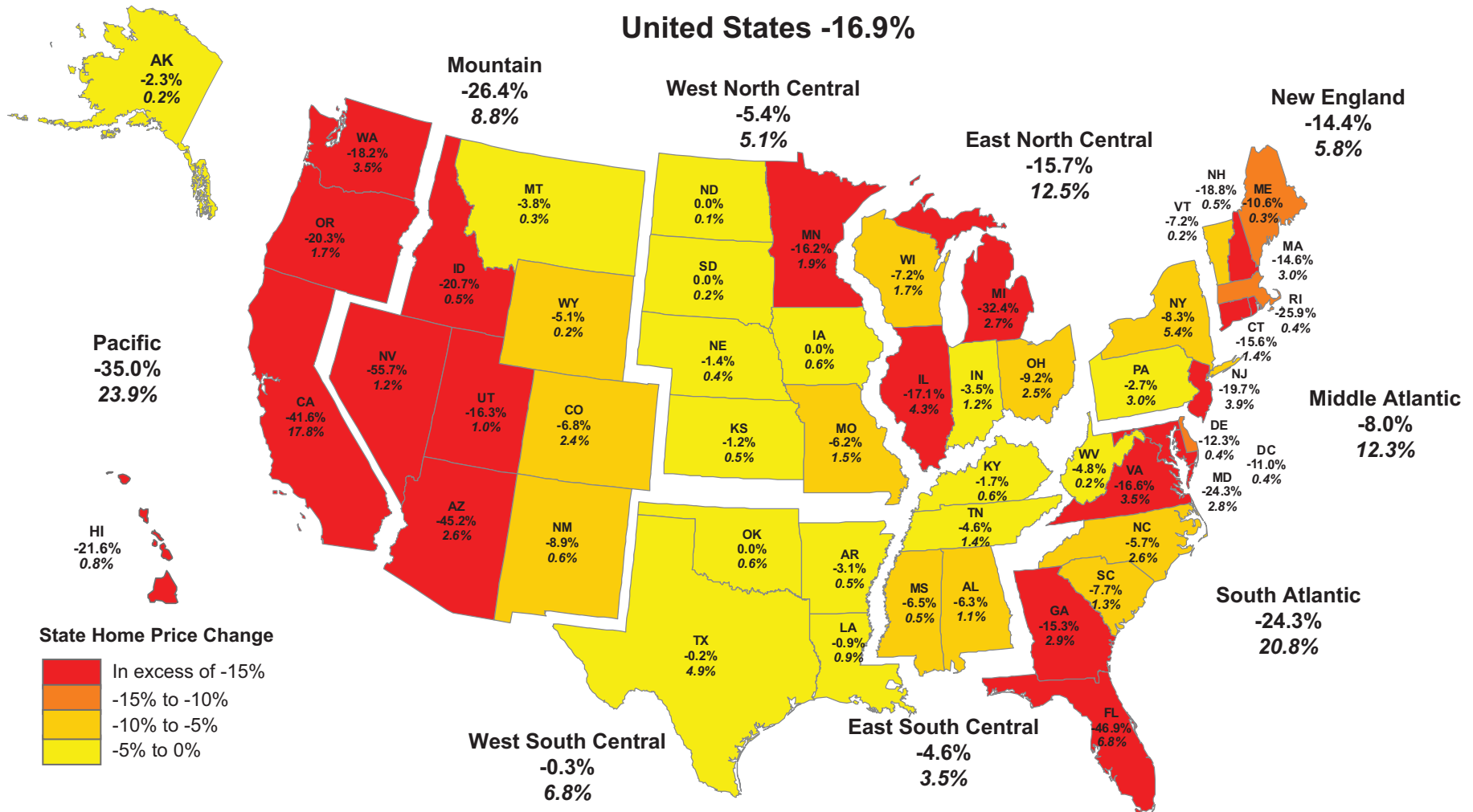
Growth rates are from period-end to period-end.

* Initial estimate based on purchase transactions in Fannie-Freddie acquisition and public deed data available through the end of June 2010, supplemented by preliminary data available for purchase transactions to be closed in July and August 2010. Including subsequently available data may lead to materially different results.

We expect peak-to-trough declines in home prices to be in the 18% to 25% range (comparable to a decline of 32% to 40% range using the S&P/Case-Shiller index method).

Note: Our estimates differ from the S&P/Case Shiller index in two principal ways: (1) our estimates weight expectations for each individual property by number of properties, whereas the S&P/Case Shiller index weights expectations of home price declines based on property value, causing declines in home prices on higher priced homes to have a greater effect on the overall result; and (2) our estimates do not include known sales of foreclosed homes because we believe that differing maintenance practices and the forced nature of the sales make foreclosed home prices less representative of market values, whereas the S&P/Case Shiller index includes sales of foreclosed homes. The S&P/Case Shiller comparison numbers shown above for the peak to trough forecast are calculated using our models and assumptions, but modified to use these two factors (weighting of expectations based on property value and the inclusion of foreclosed property sales). In addition to these differences, our estimates are based on our own internally available data combined with publicly available data, and are therefore based on data collected nationwide, whereas the S&P/Case Shiller index is based only on publicly available data, which may be limited in certain geographic areas of the country. Our comparative calculations to the S&P/Case Shiller index provided above are not modified to account for this data pool difference.

Home Price Declines Peak-to-Current (by State) as of 2010 Q2



Top %: State/Region Home Price Decline Rate percentage from applicable peak in that state through June 30, 2010

Bottom %: Percent of Fannie Mae single-family conventional guaranty book of business by unpaid principal balance as of June 30, 2010

Note: Regional home price decline percentages are a housing stock unit weighted average of home price decline percentages of states within each region.

Initial estimate based on purchase transactions in Fannie Freddie acquisition and public deed data available through the end of June 2010, supplemented by preliminary data available for purchase transactions to be closed in July and August 2010. Including subsequently available data may lead to materially different results.

Fannie Mae Acquisition Profile by Key Product Features

Credit Characteristics of Single-Family Business Volume ⁽¹⁾

Acquisition Year	2010 Q2	2010 Q1	2009	2008	2007	2006
Unpaid Principal Balance (billions)	\$ 110.2	\$ 116.0	\$ 684.7	\$ 557.2	\$ 643.8	\$ 515.8
Weighted Average Origination Note Rate	4.93%	4.89%	4.93%	6.00%	6.51%	6.45%
Original Loan-to-Value Ratio						
<= 60%	27.4%	30.4%	32.6%	22.7%	16.7%	18.6%
>60% and <= 70%	14.7%	15.5%	17.0%	16.1%	13.5%	15.1%
>70% and <= 80%	39.9%	37.3%	39.9%	39.5%	44.7%	49.6%
>80% and <= 90%	9.9%	9.4%	6.9%	11.7%	9.1%	6.8%
>90% and <= 100%	6.1%	5.6%	3.3%	10.0%	15.8%	9.7%
> 100%	2.0%	1.8%	0.4%	0.1%	0.1%	0.2%
Weighted Average Origination Loan-to-Value Ratio	69.9%	68.5%	66.8%	72.0%	75.5%	73.4%
FICO Credit Scores ⁽²⁾						
0 to < 620	0.6%	0.7%	0.4%	2.8%	6.4%	6.2%
>= 620 and < 660	2.1%	2.1%	1.5%	5.7%	11.5%	11.2%
>=660 and < 700	7.7%	7.8%	6.5%	13.9%	19.2%	19.6%
>=700 and < 740	17.4%	17.8%	17.2%	21.7%	22.6%	23.0%
>=740	72.1%	71.5%	74.4%	55.8%	40.1%	39.7%
Missing	0.1%	0.1%	0.1%	0.1%	0.1%	0.2%
Weighted Average FICO Credit Score ⁽²⁾	758	758	761	738	716	716
Product						
Fixed-rate	92.2%	92.0%	96.6%	91.7%	90.1%	83.4%
Adjustable-rate	7.8%	8.0%	3.4%	8.3%	9.9%	16.6%
Alt-A	0.0%	0.0%	0.0%	3.1%	16.7%	21.8%
Subprime	0.0%	0.0%	0.0%	0.3%	0.7%	0.7%
Interest Only	1.9%	2.2%	1.0%	5.6%	15.2%	15.2%
Negative Amortizing	0.0%	0.0%	0.0%	0.0%	0.3%	3.1%
Refinance	68.5%	78.5%	79.9%	58.6%	50.4%	48.3%
HARP ⁽³⁾	10.6%	11.9%	3.8%	—	—	—
HARP Weighted Average Origination Loan-to-Value Ratio ⁽³⁾	92.2%	91.7%	90.7%	—	—	—
Investor	5.5%	4.9%	2.5%	5.6%	6.5%	7.0%
Condo/Co-op	10.3%	10.0%	8.2%	10.3%	10.4%	10.5%

(1) Percentage calculated based on unpaid principal balance of loans at time of acquisition. Single family business volume refers to both single family mortgage loans we purchase for our mortgage portfolio and single family mortgage loans we securitize into Fannie Mae MBS.

(2) FICO Credit scores presented in the table are borrower credit scores, as reported by the seller of the mortgage loan, at the time of delivery to Fannie Mae.

(3) The Home Affordable Refinance Program (HARP) started in April 2009.

Fannie Mae Credit Profile by Key Product Features

Credit Characteristics of Single-Family Conventional Guaranty Book of Business

As of June 30, 2010	Categories Not Mutually Exclusive ⁽¹⁾							Subprime Loans	Sub-total of Key Product Features ⁽¹⁾	Overall Book
	Negative Amortizing Loans	Interest Only Loans	Loans with FICO < 620 ⁽³⁾	Loans with FICO ≥ 620 and < 660 ⁽³⁾	Loans with Origination LTV Ratio > 90%	Loans with FICO < 620 and Origination LTV Ratio > 90% ⁽³⁾	Alt-A Loans			
Unpaid Principal Balance (billions) ⁽²⁾	\$12.3	\$169.9	\$104.1	\$218.9	\$261.5	\$22.7	\$227.2	\$6.9	\$800.4	\$2,785.7
Share of Single Family Conventional Guaranty Book	0.4%	6.1%	3.7%	7.9%	9.4%	0.8%	8.2%	0.2%	28.7%	100.0%
Average Unpaid Principal Balance ⁽²⁾	\$126,384	\$244,015	\$123,505	\$137,914	\$145,987	\$118,641	\$164,815	\$148,613	\$151,921	\$154,183
Serious Delinquency Rate	9.91%	19.43%	16.12%	12.04%	11.55%	24.28%	15.17%	29.96%	12.03%	4.99%
Origination Years 2005 2007	59.3%	76.6%	54.4%	51.9%	49.4%	67.4%	73.2%	80.5%	56.4%	32.7%
Weighted Average Origination Loan to Value Ratio	71.1%	75.4%	76.6%	77.2%	97.2%	98.1%	73.0%	77.1%	79.9%	71.3%
Original Loan to Value Ratio > 90%	0.3%	9.1%	21.8%	20.5%	100.0%	100.0%	5.3%	6.8%	32.7%	9.4%
Weighted Average Mark to Market Loan to Value Ratio	98.5%	107.2%	82.9%	84.4%	104.0%	105.2%	93.0%	98.5%	91.5%	74.4%
Mark to Market Loan to Value Ratio > 100% and ≤ 125%	13.8%	22.9%	14.2%	14.2%	28.0%	30.5%	15.7%	19.0%	18.0%	8.5%
Mark to Market Loan to Value Ratio > 125%	33.5%	26.3%	9.0%	10.4%	14.9%	16.6%	18.3%	18.1%	13.6%	5.9%
Weighted Average FICO ⁽³⁾	706	725	588	641	701	592	717	622	687	732
FICO < 620 ⁽³⁾	7.1%	1.3%	100.0%	—	8.7%	100.0%	0.7%	48.9%	13.0%	3.7%
Fixed rate	0.3%	36.4%	88.4%	88.9%	91.6%	87.9%	70.3%	74.7%	78.8%	90.6%
Primary Residence	68.8%	85.1%	96.7%	94.2%	96.9%	99.4%	77.4%	96.6%	89.7%	89.9%
Condo/Co op	14.0%	16.4%	4.9%	6.6%	9.9%	6.0%	10.8%	4.3%	9.7%	9.4%
Credit Enhanced ⁽⁴⁾	61.7%	19.2%	31.3%	30.2%	83.6%	90.4%	19.1%	59.9%	36.8%	15.7%
% of 2007 Credit Losses ⁽⁵⁾	0.9%	15.0%	18.8%	21.9%	17.4%	6.4%	27.8%	1.0%	72.3%	100.0%
% of 2008 Credit Losses ⁽⁵⁾	2.9%	34.2%	11.8%	17.4%	21.3%	5.4%	45.6%	2.0%	81.3%	100.0%
% of 2009 Credit Losses ⁽⁵⁾	2.0%	32.6%	8.8%	15.5%	19.2%	3.4%	39.6%	1.5%	75.0%	100.0%
% of 2010 Q1 Credit Losses ⁽⁵⁾	2.6%	30.7%	7.1%	14.1%	16.3%	2.5%	36.5%	1.0%	70.3%	100.0%
% of 2010 Q2 Credit Losses ⁽⁵⁾	2.4%	29.6%	7.6%	14.7%	17.9%	2.8%	35.1%	1.0%	70.7%	100.0%

(1) Loans with multiple product features are included in all applicable categories. The subtotal is calculated by counting a loan only once even if it is included in multiple categories.

(2) Excludes non Fannie Mae securities held in portfolio and those Alt A and subprime wraps for which Fannie Mae does not have loan level information. Fannie Mae had access to detailed loan level information for over 99% of its single family conventional guaranty book of business as of June 30, 2010.

(3) FICO Credit scores presented in the table are borrower credit scores, as reported by the seller of the mortgage loan, at the time of delivery to Fannie Mae.

(4) Unpaid principal balance of all loans with credit enhancement as a percentage of unpaid principal balance of single family conventional guaranty book of business for which Fannie Mae had access to loan level information. Includes primary mortgage insurance, pool insurance, lender recourse and other credit enhancement.

(5) Expressed as a percentage of credit losses for the single family guaranty book of business. For information on total credit losses, refer to Fannie Mae's 2010 Q2 Form 10 Q.

Fannie Mae Credit Profile by Origination Year and Key Product Features

Credit Characteristics of Single-Family Conventional Guaranty Book of Business by Origination Year

As of June 30, 2010	Overall Book	Origination Year						
		2010	2009	2008	2007	2006	2005	2004 and Earlier
Unpaid Principal Balance (billions) ⁽¹⁾	\$2,785.7	\$168.9	\$646.6	\$314.8	\$380.2	\$262.9	\$268.3	\$744.0
Share of Single-Family Conventional Guaranty Book	100.0%	6.1%	23.2%	11.3%	13.6%	9.4%	9.6%	26.7%
Average Unpaid Principal Balance ⁽¹⁾	\$154,183	\$217,068	\$214,247	\$190,665	\$181,952	\$166,564	\$155,104	\$103,009
Serious Delinquency Rate	4.99%	0.01%	0.12%	4.41%	13.79%	12.52%	7.20%	2.96%
Weighted Average Origination Loan-to-Value Ratio	71.3%	69.6%	67.0%	73.5%	77.7%	74.9%	72.3%	69.4%
Original Loan-to-Value Ratio > 90%	9.4%	8.2%	4.0%	11.0%	19.9%	11.8%	8.4%	7.8%
Weighted Average Mark-to-Market Loan-to-Value Ratio	74.4%	68.6%	66.2%	80.2%	98.5%	99.0%	85.4%	55.5%
Mark-to-Market Loan-to-Value Ratio > 100% and < 125%	8.5%	2.0%	1.0%	11.9%	22.0%	17.9%	13.0%	3.1%
Mark-to-Market Loan-to-Value Ratio > 125%	5.9%	0.0%	0.0%	2.9%	16.4%	19.6%	11.5%	1.4%
Weighted Average FICO ⁽²⁾	732	758	761	736	709	711	720	722
FICO < 620 ⁽²⁾	3.7%	0.7%	0.4%	2.6%	7.4%	6.1%	4.5%	4.8%
Interest Only	6.1%	1.9%	1.0%	5.5%	15.4%	17.1%	9.9%	1.7%
Negative Amortizing	0.4%	0.0%	0.0%	0.0%	0.1%	1.2%	1.4%	0.7%
Fixed-rate	90.6%	92.6%	96.9%	91.8%	87.2%	83.3%	83.1%	91.1%
Primary Residence	89.9%	89.8%	92.7%	88.2%	88.2%	86.4%	87.5%	91.2%
Condo/Co-op	9.4%	10.0%	8.3%	11.4%	11.4%	11.6%	10.3%	7.3%
Credit Enhanced ⁽³⁾	15.7%	6.9%	6.6%	24.3%	30.7%	21.3%	16.7%	11.8%
% of 2007 Credit Losses ⁽⁴⁾	100.0%	—	—	—	1.9%	21.3%	23.6%	53.2%
% of 2008 Credit Losses ⁽⁴⁾	100.0%	—	—	0.5%	27.9%	34.9%	19.3%	17.3%
% of 2009 Credit Losses ⁽⁴⁾	100.0%	—	0.0%	4.8%	36.0%	30.9%	16.4%	11.9%
% of 2010 Q1 Credit Losses ⁽⁴⁾	100.0%	0.0%	0.1%	6.6%	36.6%	30.2%	16.0%	10.6%
% of 2010 Q2 Credit Losses ⁽⁴⁾	100.0%	0.0%	0.3%	7.1%	36.8%	29.9%	15.8%	10.1%
Cumulative Default Rate ⁽⁵⁾	—	—	0.01%	0.86%	4.34%	4.78%	2.91%	—

(1) Excludes non Fannie Mae securities held in portfolio and those Alt A and subprime wraps for which Fannie Mae does not have loan level information. Fannie Mae had access to detailed loan level information for over 99% of its single family conventional guaranty book of business as of June 30, 2010.

(2) FICO Credit scores presented in the table are borrower credit scores, as reported by the seller of the mortgage loan, at the time of delivery to Fannie Mae.

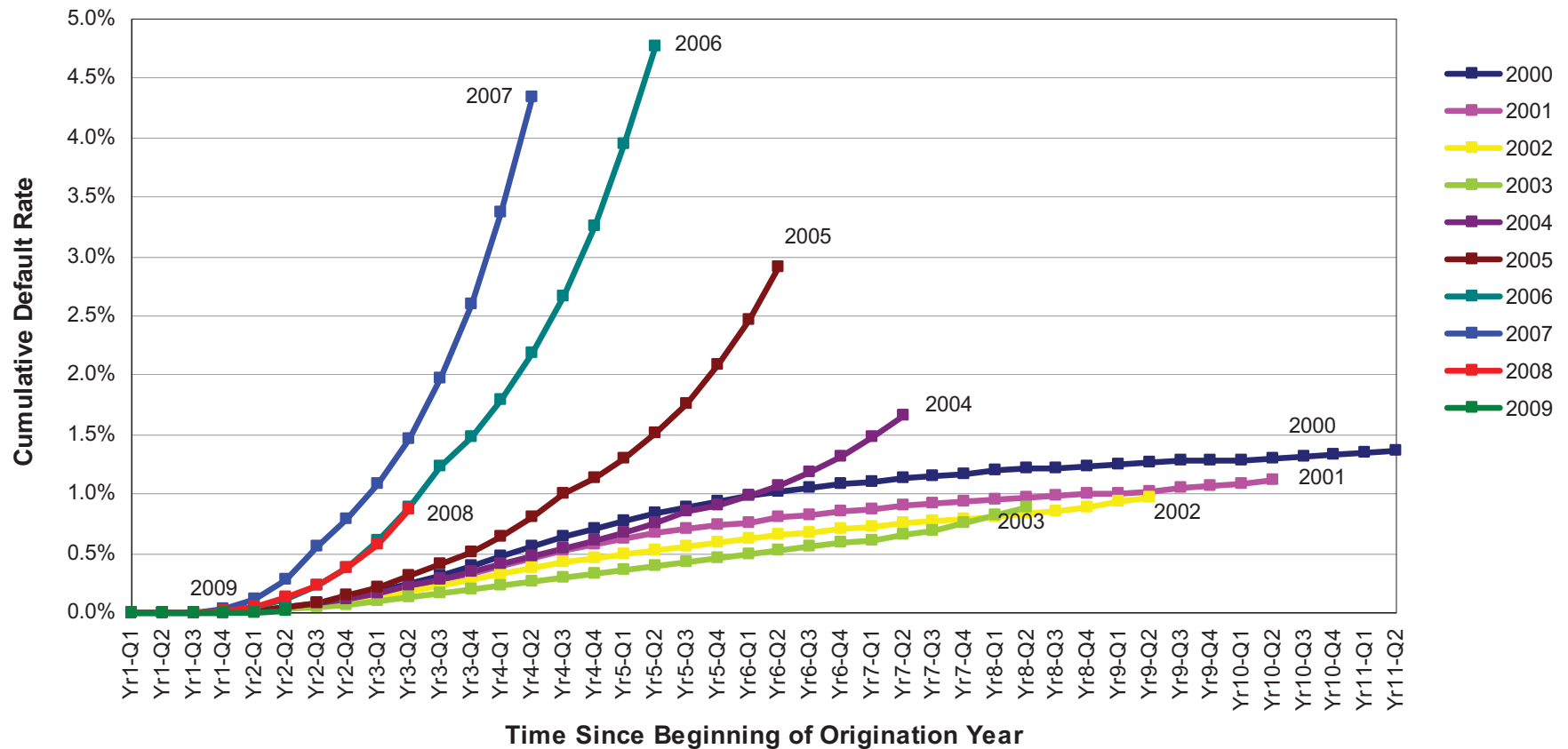
(3) Unpaid principal balance of all loans with credit enhancement as a percentage of unpaid principal balance of single family conventional guaranty book of business for which Fannie Mae has access to loan level information. Includes primary mortgage insurance, pool insurance, lender recourse and other credit enhancement.

(4) Expressed as a percentage of credit losses for the single family guaranty book of business. For information on total credit losses, refer to Fannie Mae's 2010 Q2 Form 10 Q.

(5) Defaults include loan liquidations other than through voluntary pay off or repurchase by lenders and includes loan foreclosures, preforeclosure sales, sales to third parties 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. For 2000 to 2004 cumulative default rates, refer to slide 8.

Fannie Mae Single-Family Cumulative Default Rates

Cumulative Default Rates of Single-Family Conventional Guaranty Book of Business by Origination Year



Note: Defaults include loan liquidations other than through voluntary pay off or repurchase by lenders and include loan foreclosures, preforeclosure sales, sales to third parties 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 June 30, 2010 are not necessarily indicative of the ultimate performance of the loans and performance is likely to change, perhaps materially, in future periods.

Fannie Mae Credit Profile by State

Credit Characteristics of Single-Family Conventional Guaranty Book of Business by State

As of June 30, 2010	Overall Book	AZ	CA	FL	NV	Select Midwest States ⁽⁵⁾
Unpaid Principal Balance (billions) ⁽¹⁾	\$2,785.7	\$73.4	\$496.8	\$189.6	\$33.3	\$298.6
Share of Single Family Conventional Guaranty Book	100.0%	2.6%	17.8%	6.8%	1.2%	10.7%
Average Unpaid Principal Balance ⁽¹⁾	\$154,183	\$157,064	\$216,655	\$143,130	\$173,088	\$122,902
Serious Delinquency Rate	4.99%	7.48%	4.99%	12.60%	12.83%	5.17%
Origination Years 2005-2007	32.7%	48.1%	27.7%	51.9%	51.8%	30.4%
Weighted Average Origination Loan to Value Ratio	71.3%	73.8%	63.8%	73.2%	74.6%	74.7%
Original Loan to Value Ratio > 90%	9.4%	10.3%	3.4%	10.4%	9.5%	12.2%
Weighted Average Mark to Market Loan to Value Ratio	74.4%	100.4%	75.3%	101.5%	129.1%	77.9%
Mark to Market Loan to Value Ratio >100% and <=125%	8.5%	19.3%	10.5%	18.5%	16.3%	11.8%
Mark to Market Loan to Value Ratio >125%	5.9%	25.1%	10.3%	27.3%	49.6%	4.2%
Weighted Average FICO ⁽²⁾	732	731	741	721	728	727
FICO < 620 ⁽²⁾	3.7%	3.2%	2.1%	5.0%	2.9%	4.7%
Interest Only	6.1%	12.5%	9.7%	10.2%	17.5%	3.6%
Negative Amortizing	0.4%	0.5%	1.4%	1.0%	1.6%	0.1%
Fixed rate	90.6%	85.1%	86.2%	86.4%	78.1%	90.9%
Primary Residence	89.9%	83.3%	88.6%	82.1%	80.3%	93.7%
Condo/Co op	9.4%	5.1%	11.9%	15.0%	7.1%	10.7%
Credit Enhanced ⁽³⁾	15.7%	16.1%	7.1%	17.7%	18.1%	19.2%
% of 2007 Credit Losses ⁽⁴⁾	100.0%	1.8%	7.2%	4.7%	1.2%	46.6%
% of 2008 Credit Losses ⁽⁴⁾	100.0%	8.0%	25.2%	10.9%	4.9%	21.1%
% of 2009 Credit Losses ⁽⁴⁾	100.0%	10.8%	24.4%	15.5%	6.5%	14.8%
% of 2010 Q1 Credit Losses ⁽⁴⁾	100.0%	10.8%	24.9%	18.0%	4.6%	14.6%
% of 2010 Q2 Credit Losses ⁽⁴⁾	100.0%	9.2%	21.5%	19.1%	6.2%	13.9%

(1) Excludes non Fannie Mae securities held in portfolio and those Alt A and subprime wraps for which Fannie Mae does not have loan level information. Fannie Mae had access to detailed loan level information for over 99% of its single family conventional guaranty book of business as of June 30, 2010.

(2) FICO Credit scores presented in the table are borrower credit scores, as reported by the seller of the mortgage loan, at the time of delivery to Fannie Mae.

(3) Unpaid principal balance of all loans with credit enhancement as a percentage of unpaid principal balance of single family conventional guaranty book of business for which Fannie Mae has access to loan level information. Includes primary mortgage insurance, pool insurance, lender recourse and other credit enhancement.

(4) Expressed as a percentage of credit losses for the single family guaranty book of business. For information on total credit losses, refer to Fannie Mae's 2010 Q2 Form 10 Q.

(5) Select Midwest states are Illinois, Indiana, Michigan and Ohio.

Fannie Mae Single-Family Serious Delinquency Rates by State and Region ⁽¹⁾

State	June 30, 2010	March 31, 2010	December 31, 2009	September 30, 2009	June 30, 2009
Arizona	7.48%	8.76%	8.80%	7.87%	6.54%
California	4.99%	5.72%	5.73%	5.06%	4.23%
Florida	12.60%	13.27%	12.82%	11.31%	9.71%
Nevada	12.83%	13.95%	13.00%	11.16%	9.33%
Select Midwest States ⁽²⁾	5.17%	5.65%	5.62%	4.98%	4.16%
All conventional single-family loans	4.99%	5.47%	5.38%	4.72%	3.94%

Region ⁽³⁾	June 30, 2010	March 31, 2010	December 31, 2009	September 30, 2009	June 30, 2009
Midwest	4.52%	4.96%	4.97%	4.42%	3.71%
Northeast	4.43%	4.74%	4.53%	3.91%	3.20%
Southeast	6.67%	7.22%	7.06%	6.18%	5.21%
Southwest	3.67%	4.17%	4.19%	3.71%	3.07%
West	4.96%	5.55%	5.45%	4.77%	3.96%
All conventional single-family loans	4.99%	5.47%	5.38%	4.72%	3.94%

(1) Calculated based on the number of loans in Fannie Mae's single family conventional guaranty book of business within each specified category.

(2) Select Midwest states are Illinois, Indiana, Michigan and Ohio.

(3) For information on which states are included in each region, refer to Fannie Mae's 2010 Q2 Form 10 Q.

Home Price Growth/Decline and Fannie Mae Real Estate Owned (REO) in Selected States

State	REO Acquisitions (Number of Properties)					REO Inventory as of June 30, 2010	REO Inventory as of June 30, 2009	5-Year Annualized HP Growth July 2005 to June 2010 ⁽¹⁾	1-Year HP Growth July 2009 to June 2010 ⁽¹⁾
	2010 Q2	2010 Q1	2009	2008	2007				
Arizona	5,256	5,374	12,854	5,532	751	8,427	4,354	-7.9%	0.3%
California	8,256	8,700	19,565	10,624	1,681	16,630	8,078	-8.7%	1.0%
Florida	8,712	6,556	13,282	6,159	1,714	13,179	4,251	-8.7%	0.0%
Nevada	2,686	1,451	6,075	2,906	530	3,668	2,254	-13.8%	-7.3%
Select Midwest States ⁽²⁾	12,356	12,058	28,464	23,668	16,678	29,945	16,915	-3.2%	0.0%
All other States	31,572	27,790	65,377	45,763	27,767	57,461	26,763	0.2%	-0.3%
Total	68,838	61,929	145,617	94,652	49,121	129,310	62,615	-2.1%	-0.1%

(1) Initial estimate based on purchase transactions in Fannie Freddie acquisition and public deed data available through the end of June 2010, supplemented by preliminary data available for purchase transactions to be closed in July and August 2010. Including subsequently available data may lead to materially different results.

(2) Select Midwest states are Illinois, Indiana, Michigan and Ohio.

REO Net Sales Prices Compared With Unpaid Principal Balances of Mortgage Loans						
2010 Q2	2010 Q1	2009	2008	2007	2006	2005
58%	56%	55%	68%	78%	83%	87%

Fannie Mae Alt-A Credit Profile by Key Product Features

Credit Characteristics of Alt-A Single-Family Conventional Guaranty Book of Business by Origination Year

As of June 30, 2010	Alt-A ⁽¹⁾	Origination Year ⁽²⁾				
		2008	2007	2006	2005	2004 and Earlier
Unpaid principal balance (billions) ⁽³⁾	\$227.2	\$5.8	\$59.3	\$63.6	\$43.4	\$55.1
Share of Alt A	100.0%	2.6%	26.1%	28.0%	19.1%	24.2%
Weighted Average Origination Loan to Value Ratio	73.0%	67.4%	75.0%	74.2%	72.6%	70.2%
Original Loan to Value Ratio > 90%	5.3%	2.4%	8.5%	4.7%	3.3%	4.5%
Weighted Average Mark to Market Loan to Value Ratio	93.0%	78.1%	104.5%	107.4%	96.6%	62.6%
Mark to Market Loan to Value Ratio > 100% and ≤125%	15.7%	11.5%	21.9%	18.9%	16.0%	5.4%
Mark to Market Loan to Value Ratio > 125%	18.3%	4.5%	23.1%	27.0%	20.2%	3.2%
Weighted Average FICO ⁽⁴⁾	717	726	712	713	723	721
FICO < 620 ⁽⁴⁾	0.7%	0.2%	0.5%	0.5%	0.4%	1.4%
Adjustable rate	29.7%	13.7%	25.8%	32.7%	40.4%	23.7%
Interest Only	29.3%	7.1%	38.0%	38.3%	29.2%	12.2%
Negative Amortizing	2.9%	0.0%	0.0%	4.0%	6.6%	2.1%
Investor	17.8%	18.3%	19.5%	17.2%	20.0%	14.8%
Condo/Co op	10.8%	6.9%	9.8%	11.7%	13.0%	9.4%
California	22.0%	20.4%	22.2%	19.9%	20.9%	25.0%
Florida	11.6%	9.3%	12.2%	13.4%	12.9%	8.3%
Credit Enhanced ⁽⁵⁾	19.1%	13.9%	18.3%	18.6%	21.0%	19.8%
2009 Q2 Serious Delinquency Rate	11.91%	6.52%	17.05%	16.78%	10.97%	5.02%
2009 Q3 Serious Delinquency Rate	13.97%	8.72%	20.19%	19.43%	12.72%	5.95%
2009 Q4 Serious Delinquency Rate	15.63%	10.55%	22.72%	21.57%	14.24%	6.73%
2010 Q1 Serious Delinquency Rate	16.22%	11.57%	23.71%	22.26%	14.82%	7.04%
2010 Q2 Serious Delinquency Rate	15.17%	11.08%	22.07%	20.74%	14.13%	6.69%
% of 2007 Credit Losses ⁽⁶⁾	27.8%	—	0.7%	9.8%	9.7%	7.7%
% of 2008 Credit Losses ⁽⁶⁾	45.6%	0.0%	12.4%	20.2%	9.7%	3.4%
% of 2009 Credit Losses ⁽⁶⁾	39.6%	0.4%	13.4%	15.8%	7.3%	2.7%
% of 2010 Q1 Credit Losses ⁽⁶⁾	36.5%	0.6%	12.8%	14.4%	6.5%	2.3%
% of 2010 Q2 Credit Losses ⁽⁶⁾	35.1%	0.5%	12.1%	14.0%	6.4%	2.1%
Cumulative Default Rate ⁽⁷⁾	—	3.06%	9.28%	9.60%	6.16%	—

(1) "Alt A mortgage loan" generally refers to a mortgage loan that can be underwritten with reduced or alternative documentation than that required for a full documentation mortgage loan but may also include other alternative product features. In reporting our Alt A exposure, we have classified mortgage loans as Alt A if the lenders that deliver the mortgage loans to us have classified the loans as Alt A based on documentation or other product features. We have classified private label mortgage related securities held in our investment portfolio as Alt A if the securities were labeled as such when issued.

(2) As a result of our decision to discontinue the purchase of newly originated Alt A loans effective January 1, 2009, no comparable data will be provided for 2009 and 2010.

(3) Excludes non Fannie Mae securities held in portfolio and those Alt A and subprime wraps for which Fannie Mae does not have loan level information. Fannie Mae had access to detailed loan level information for over 99% of its single family conventional guaranty book of business as of June 30, 2010.

(4) FICO Credit scores presented in the table are borrower credit scores, as reported by the seller of the mortgage loan, at the time of delivery to Fannie Mae.

(5) Defined as unpaid principal balance of Alt A loans with credit enhancement as a percentage of unpaid principal balance of all Alt A loans. At June 30, 2010, 10.3% of unpaid principal balance of Alt A loans carried only primary mortgage insurance (no deductible), 7.0% had only pool insurance (which is generally subject to a deductible), 1.3% had primary mortgage insurance and pool insurance, and 0.5% carried other credit enhancement such as lender recourse.

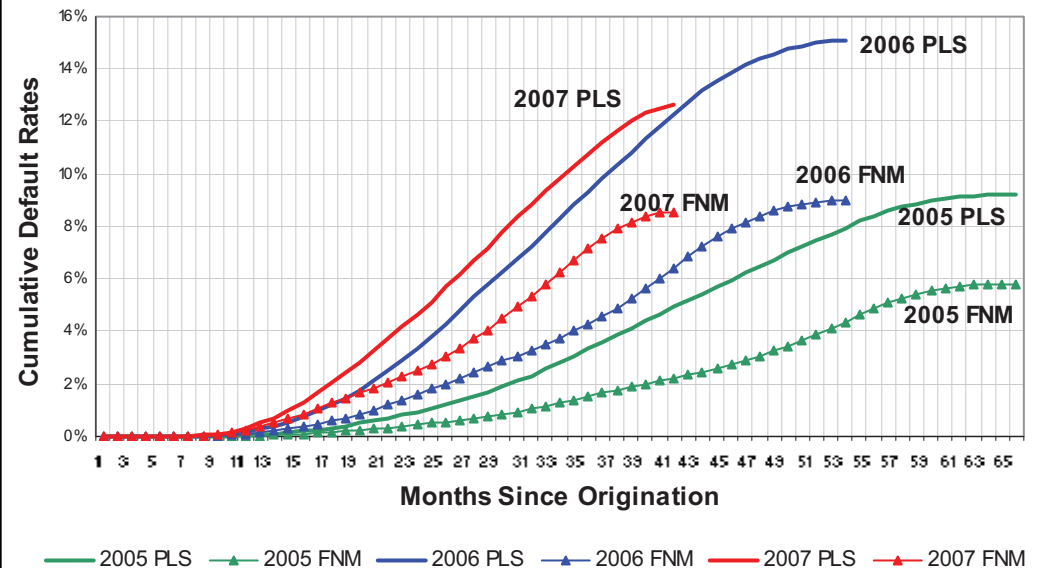
(6) Expressed as a percentage of credit losses for the single family guaranty book of business. For information on total credit losses, refer to Fannie Mae's 2010 Q2 Form 10 Q.

(7) Defaults include loan liquidations other than through voluntary pay off or repurchase by lenders and includes loan foreclosures, preforeclosure sales, sales to third parties 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.

Fannie Mae Alt-A Loans Versus Loans Underlying Private-Label Alt-A Securities

Fannie Mae Alt-A Versus Private-Label Security Conforming Alt-A		
	Fannie Mae Alt-A	Private-Label Alt-A
	Outstanding Alt-A loans in Fannie Mae's Single-Family Guaranty Book of Business as of May 2010	Outstanding loans backing non-agency Conforming Alt-A MBS as of May 2010
FICO	717	709
Original Loan to Value Ratio	73%	75%
Combined Loan to Value Ratio at Origination (1)	77%	81%
Geography		
California	22%	27%
Florida	12%	14%
Product Type		
Fixed Rate	71%	51%
Adjustable Rate	29%	49%
Interest Only	20%	24%
Negative Amortizing	3%	20%
Investor	18%	21%

Cumulative Default Rates For Fannie Mae Alt-A And Private-Label Alt-A
For 2005, 2006 and 2007 Cohorts ⁽²⁾⁽³⁾



(1) Includes first liens and any subordinate liens present at origination.

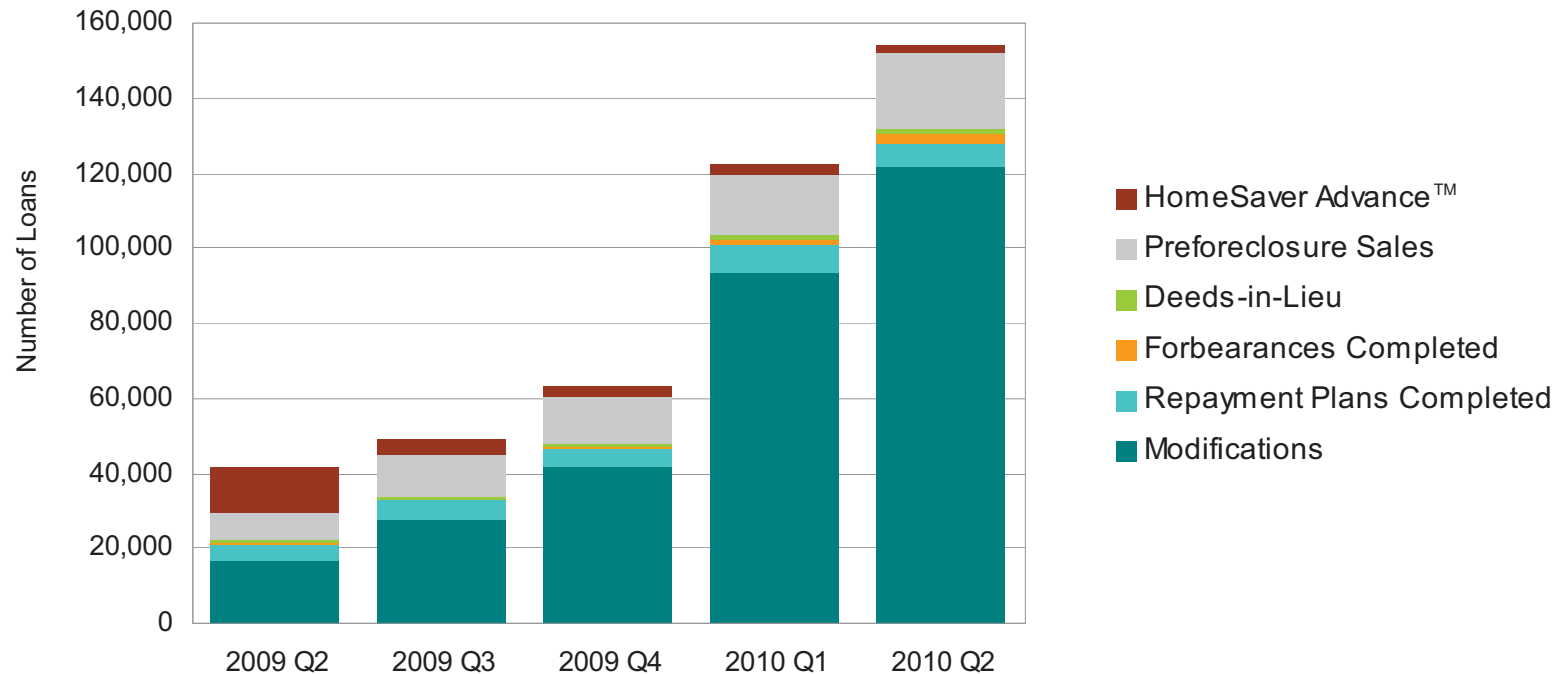
(2) The Cumulative Default Rate is based upon the number of months between the loan origination month/year and default month/year.

(3) Due to low amount of Alt A loans originated in 2008 and 2009, no comparable data has been provided for these years.

Data as of May 2010 are not necessarily indicative of the ultimate performance of the loans and performance is likely to change, perhaps materially, in future periods.

Note: Private-label securities data source: First American CoreLogic, LoanPerformance data, which estimates it captures 97% of Alt-A private-label securities.

Fannie Mae Workouts by Type



- Modifications involve changes to the original mortgage loan terms, which may include a change to the product type, interest rate, amortization term, maturity date and/or unpaid principal balance. Modifications include completed modifications made under the Administration's Home Affordable Modification Program, which was implemented beginning in March 2009, but do not reflect loans currently in trial modifications under that program. Information on Fannie Mae loans under the Home Affordable Modification Program is provided on Slide 15.
- Repayment plans involve plans to repay past due principal and interest over a reasonable period of time through temporarily higher monthly payments. Loans with completed repayment plans are included for loans that were at least 60 days delinquent at initiation.
- Forbearances involve an agreement to suspend or reduce borrower payments for a period of time. Loans with forbearance plans are included for loans that were at least 90 days delinquent at initiation.
- Deeds in lieu of foreclosure involve the borrower's voluntarily signing over title to the property without the added expense of a foreclosure proceeding.
- In a preforeclosure sale, the borrower, working with the servicer, sells the home prior to foreclosure to pay off all or part of the outstanding loan, accrued interest and other expenses from the sale proceeds.
- HomeSaver Advance™ are unsecured, personal loans designed to help qualified borrowers bring their delinquent mortgage loans current after a temporary financial difficulty.

Home Affordable Modification Program (HAMP)

Fannie Mae Loans Under HAMP

As of June 30, 2010 reporting period	Active HAMP Trials	Active Permanent HAMP Modification ⁽¹⁾
Total	136,892	137,687
Modification Structure		
Rate Reduction	100%	100%
Term Extension	67%	61%
Forbearance	21%	25%
Median Monthly Principal and Interest Reduction	\$439	\$481
% of June 30, 2010 SDQ Loans⁽²⁾	10%	

Data Source: United States Treasury Department as reported by servicers to the system of record for the Home Affordable Modification Program.

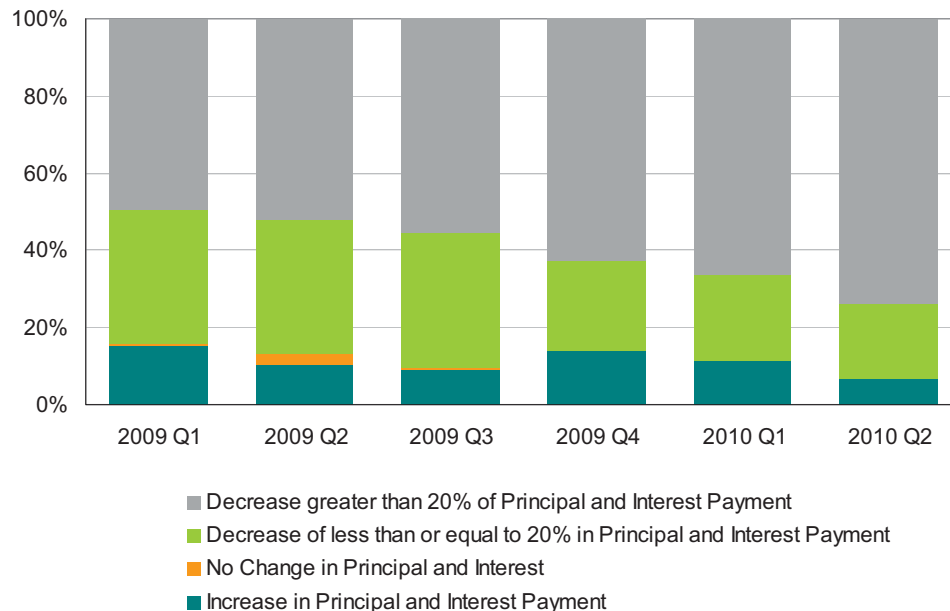
(1) Active Permanent HAMP modifications exclude modifications on loans that subsequently canceled because the loans were 90+ days delinquent or have paid off.

(2) Re performance rates for modified single family loans, including permanent HAMP modifications, are presented on Slide 16.

- Provides immediate payment relief to borrowers who are delinquent or in imminent risk of payment default.
- We require servicers to first evaluate all Fannie Mae problem loans for HAMP eligibility. If a borrower is not eligible for HAMP, our servicers are required to exhaust all other workout alternatives before proceeding to foreclosure.

Fannie Mae Modifications of Single-Family Delinquent Loans

**Change in Monthly Principal and Interest Payment
of Modified Single-Family Loans⁽¹⁾⁽²⁾**



**Re-performance Rates of Modified
Single-Family Loans⁽¹⁾**

% Current and Performing ⁽³⁾	2009 Q1	2009 Q2	2009 Q3	2009 Q4	2010 Q1
3 months post modification	62%	63%	57%	78%	80%
6 months post modification	46%	50%	47%	69%	n/a
9 months post modification	36%	44%	45%	n/a	n/a
12 months post modification	35%	43%	n/a	n/a	n/a

(1) Excludes loans that were classified as subprime adjustable rate mortgages that were modified into fixed rate mortgages and were current at the time of modification. Modifications include permanent modifications started under the Administration's Home Affordable Modification Program, which was implemented beginning in March 2009, but do not reflect loans currently in trial modifications under that program. Information on the Home Affordable Modification Program is provided on Slide 15.

(2) Represents the change in the monthly principal and interest payment at the effective date of the modification. The monthly principal and interest payment on modified loans may vary, and may increase, during the remaining life of the loan.

(3) Includes loans that paid off.

Fannie Mae Multifamily Credit Profile by Loan Attributes

As of June 30, 2010 ⁽⁵⁾	Unpaid Principal Balance (Billions)	% of Multifamily Guaranty Book of Business	% Seriously Delinquent ⁽³⁾	% of 2010 Q2 Credit Losses
Total Multifamily Guaranty Book of Business ^{(1) (2)}	\$184.0	100%	0.80%	100%
Originating loan-to-value ratio:				
Less than or equal to 80%	\$174.5	95%	0.81%	91%
Greater than 80%	\$9.5	5%	0.61%	9%
Loan Size Distribution:				
Less than or equal to \$750K	\$4.4	2%	1.68%	2%
Greater than \$750K and less than or equal to \$3M	\$23.0	13%	1.06%	12%
Greater than \$3M and less than or equal to \$5M	\$17.4	9%	1.14%	15%
Greater than \$5M and less than or equal to \$25M	\$76.2	41%	0.93%	57%
Greater than \$25M	\$63.0	35%	0.40%	14%
Credit Enhanced Loans:				
Credit Enhanced	\$164.2	89%	0.70%	87%
Non-Credit Enhanced	\$19.8	11%	1.62%	13%
Delegated Underwriting and Servicing (DUS ®) Loans: ⁽⁴⁾				
DUS ®	\$140.1	76%	0.60%	93%
Remaining Book	\$44.0	24%	1.46%	7%
Maturity Dates:				
Loans maturing in 2010	\$2.1	1%	4.10%	5%
Loans maturing in 2011	\$8.7	5%	0.63%	12%
Loans maturing in 2012	\$15.1	8%	1.53%	0%
Loans maturing in 2013	\$20.7	11%	0.73%	6%
Loans maturing in 2014	\$15.8	9%	0.58%	16%
Other	\$121.7	66%	0.71%	61%

(1) Excludes loans that have been defeased. Defeasance is prepayment of a loan through substitution of collateral, such as Treasury securities.

(2) Consists of the portion of our multifamily guaranty book of business for which we have access to detailed loan level information, which constituted approximately 99% of our total multifamily guaranty book of business as of June 30, 2010.

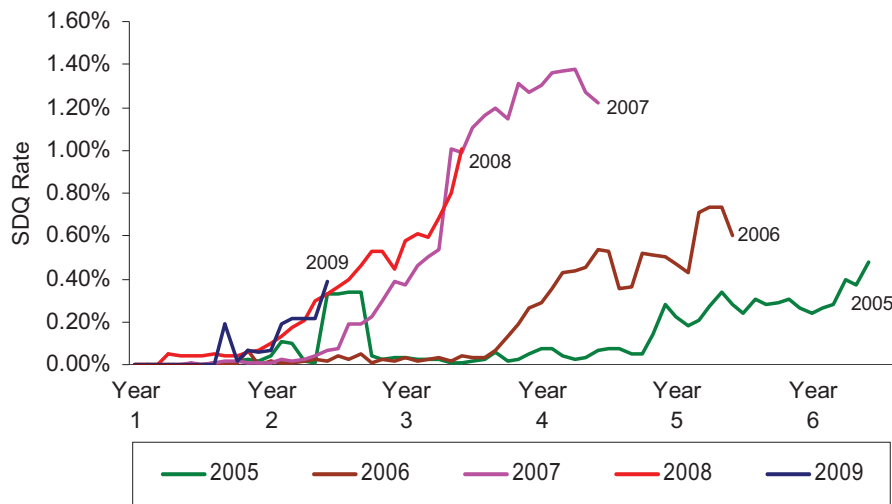
(3) Multifamily loans and securities that are two or more months past due.

(4) Under the Delegated Underwriting and Servicing, or DUS ®, product line, Fannie Mae purchases 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 our pre review.

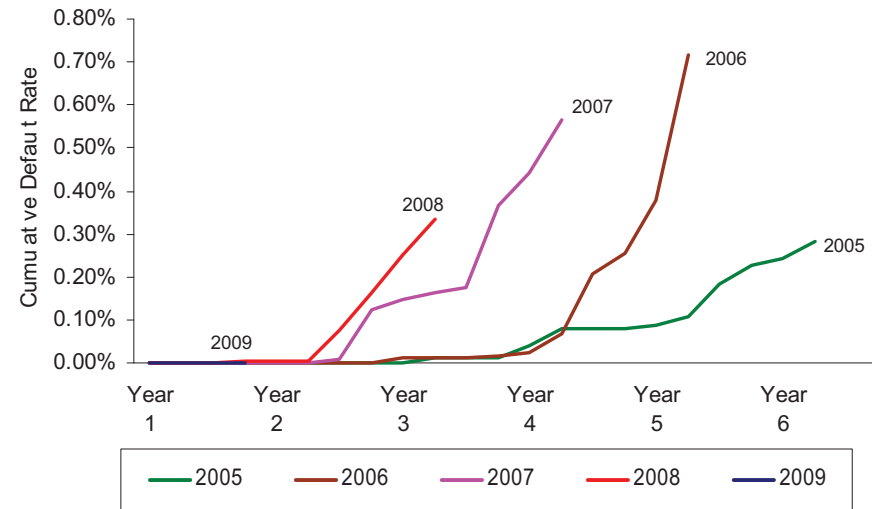
(5) Numbers may not sum due to rounding.

Fannie Mae Multifamily Credit Profile by Acquisition Year

Multifamily SDQ Rate by Acquisition Year



Cumulative Defaults by Acquisition Year



As of June 30, 2010 ⁽⁵⁾	Unpaid Principal Balance (Billions)	% of Multifamily Guaranty Book of Business	% Seriously Delinquent ⁽³⁾	% of 2010 Q2 Credit Losses
Total Multifamily Guaranty Book of Business ^{(1) (2)}	\$184.0	100%	0.80%	100%
By Acquisition Year:⁽⁴⁾				
2010	\$5.9	3%	0.00%	0%
2009	\$19.4	11%	0.39%	1%
2008	\$33.3	18%	1.01%	16%
2007	\$43.1	23%	1.22%	25%
2006	\$19.4	11%	0.60%	28%
2005	\$16.9	9%	0.48%	0%
Prior to 2005	\$46.1	25%	0.75%	30%

(1) Excludes loans that have been defeased. Defeasance is prepayment of a loan through substitution of collateral, such as Treasury securities.

(2) Consists of the portion of our multifamily guaranty book of business for which we have access to detailed loan level information, which constituted approximately 99% of our total multifamily guaranty book of business as of June 30, 2010.

(3) Multifamily loans and securities that are two or more months past due.

(4) Includes only active loans.

(5) Numbers may not sum due to rounding.

Selections by Percent of Loans or UPB for Acquisition Years (2005 – 2008)

Table 1: Selections by Percent of Total Acquisition UPB, by Acquisition Period

Acquisition Period	Percent of UPB Selected (Any Type)
2005	2.25%
2006	4.82%
2007	5.68%
2008	2.54%

Table 2: Selections by Percent of Acquisition UPB, by Acquisition Period and Review Type

Acquisition Period	Selection by Highest Review Type ¹						Total Selections
	a) PFR	b) PFS	c) SDQ	d) D-PPR	e) R-PPR	f) RV	
	% of UPB	% of UPB	% of UPB	% of UPB	% of UPB	% of UPB	% of UPB
2005	1.31%	0.22%	0.05%	0.49%	0.12%	0.07%	2.25%
2006	2.93%	0.70%	0.27%	0.68%	0.17%	0.06%	4.82%
2007	2.95%	0.87%	1.02%	0.64%	0.14%	0.06%	5.68%
2008	0.77%	0.23%	0.60%	0.49%	0.43%	0.02%	2.54%

¹ Loans may be selected more than once across different review types. For these multiple review scenarios, we have recorded only a single instance of selection using the the most highest and most complete review type. Loans which were selected but waived before having a completed review are excluded from these selection figures.

NON PUBLIC INFORMATION**Repurchases by Acquisition Year**

Data as at 8/31/2010

(\$M)

Summary for Acquisition Years 2005 - 2008

Acquisition Vintage	#	Origination UPB	% of Selected UPB Values
			"Put Back"
2005	18,989	\$3,489.93	28.72%
2006	37,539	\$7,902.06	31.07%
2007	63,736	\$14,035.29	35.89%
2008	30,071	\$5,653.37	37.89%

Notes:

1) Data Sources: QAS and RDW

* QAS is an operational system which is subject to change based on data updates from financial systems

* RDW UPB values exclude delinquent interest

2) Recourse Violations (review type RV) are included in the population.

3) Loans with acquisition Years of 2005, 2006, 2007 and 2008 have been included in the numbers.

4) A loan can have more than one repurchase issued. A loan for the reported acquisition years is represented in the numbers once, repurchases are removed based on a hierarchy of criteria.

Collections by Year by Quarter (2007 - Aug 2010)**Data in UPB**

Collection Year	Q1	Q2	Q3	Q4	Total
2007	\$260,244,321	\$209,923,318	\$249,481,807	\$271,103,569	\$990,753,015
2008	\$461,144,822	\$437,215,786	\$669,971,839	\$577,834,751	\$2,146,167,198
2009	\$1,120,350,710	\$973,018,584	\$1,131,429,162	\$1,338,883,052	\$4,563,681,508
2010*	\$1,827,578,531	\$1,473,169,562	\$836,408,758		\$4,137,156,851
Total	\$3,669,318,384	\$3,093,327,251	\$2,887,291,565	\$2,187,821,373	\$11,837,758,573

Note: 2010 Data thru August 2010

2007, 2008, and Q3, Q4 for 2009, and Q3 2010 data NOT Publicly Disclosed