UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, DC 20549

FORM 8-K

CURRENT REPORT

Pursuant to Section 13 or 15(d) of The Securities Exchange Act of 1934

Date of Report (Date of earliest event reported): February 14, 2025

Federal National Mortgage Association
(Exact name of registrant as specified in its charter)

Fannie Mae

Federally chartered corporation	0-50231	52-0883107	1100 15th Street, NW Washington, DC 20005	800 232-6643
(State or other jurisdiction of incorporation)	*(Commission File Number)*	*(IRS Employer Identification No.)*	*(Address of principal executive offices, including zip code)*	*(Registrant's telephone number, including area code)*

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (see General Instruction A.2. below):

☐ Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)

☐ Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)

☐ Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))

☐ Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
None	N/A	N/A

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter).

Emerging growth company ☐

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐

The information in this report, including information contained in the exhibits submitted with this report, shall not be deemed "filed" for purposes of Section 18 of the Securities Exchange Act of 1934, or otherwise subject to the liabilities of Section 18, nor shall it be deemed incorporated by reference into any disclosure document relating to Fannie Mae (formally known as the Federal National Mortgage Association), except to the extent, if any, expressly incorporated by specific reference in that document.

Item 2.02 Results of Operations and Financial Condition.

On February 14, 2025, Fannie Mae filed its annual report on Form 10-K for the year ended December 31, 2024 and is issuing a press release reporting its financial results for the periods covered by the Form 10-K. Copies of the press release and a financial supplement are furnished as Exhibits 99.1 and 99.2, respectively, to this report and are incorporated herein by reference. Copies may also be found on Fannie Mae's website, www.fanniemae.com, in the "About Us" section under "Investor Relations/Quarterly and Annual Results." Information appearing on the company's website is not incorporated into this report.

Item 9.01 Financial Statements and Exhibits.

(d) Exhibits. The following exhibits are being submitted with this report:

Exhibit Number	Description of Exhibit
99.1	Press release, dated February 14, 2025
99.2	Financial Supplement for Q4 and Full Year 2024, dated February 14, 2025
104	Cover Page Interactive Data File (embedded within the Inline XBRL document)

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

FEDERAL NATIONAL MORTGAGE ASSOCIATION

By: /s/ Chryssa C. Halley

Chryssa C. Halley

Executive Vice President and Chief Financial Officer

Date: February 14, 2025

Fannie Mae

Contact: Pete Bakel
202-752-2034
Date: February 14, 2025

Resource Center: 1-800-232-6643
Exhibit 99.1

Fannie Mae Reports Net Income of $17.0 Billion for 2024 and $4.1 Billion for Fourth Quarter 2024

- $17.0 billion annual net income and $4.1 billion fourth quarter 2024 net income, with net worth reaching $94.7 billion as of December 31, 2024
- $381 billion in liquidity provided in 2024, which enabled the financing of approximately 1.4 million home purchases, refinancings, and rental units
- Acquired approximately 778,000 single-family purchase loans, of which approximately half were for first-time homebuyers, and approximately 204,000 single-family refinance loans during 2024
- Financed approximately 420,000 units of multifamily rental housing in 2024; a significant majority were affordable to households earning at or below 120% of area median income, providing support for both workforce and affordable housing
- Home prices grew 5.8% on a national basis in 2024 according to the Fannie Mae Home Price Index
- The U.S. weekly average 30-year fixed-rate mortgage rate increased from 6.61% as of the end of 2023 to 6.85% as of the end of 2024

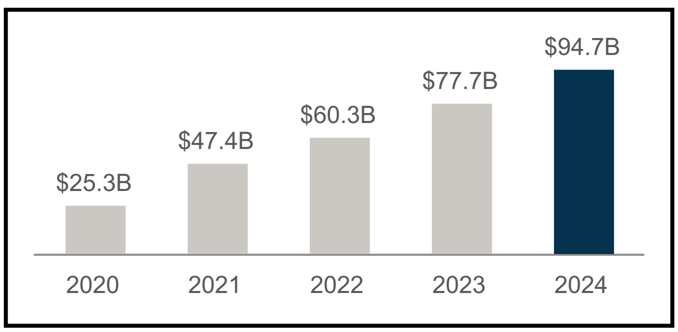
"Fannie Mae concluded the year with a strong quarter, generating net income of $4.1 billion, and $17.0 billion for the year. In 2024, we grew our net worth to nearly $95 billion, continued to build our regulatory capital, and carried out our mission. Our strong results were driven by guaranty fee income, consistent with the transformation of our business model that began well over a decade ago. For the year, we provided $381 billion in liquidity to the U.S. housing market, helping 1.4 million households buy, refinance, or rent a home."

Priscilla Almodovar
President and Chief Executive Officer

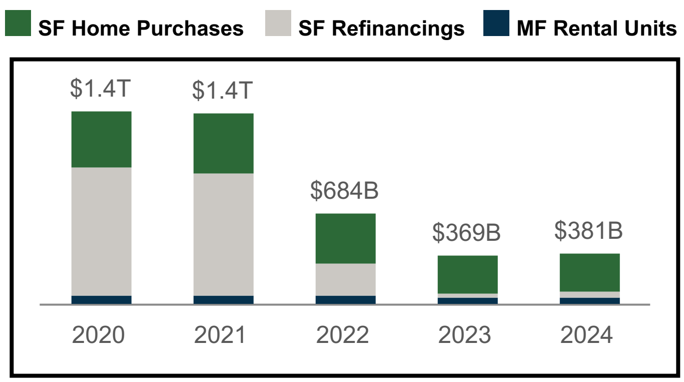
Q4 and Full Year 2024 Key Results

$94.7 Billion Net Worth

Increase of $17.0 billion in 2024

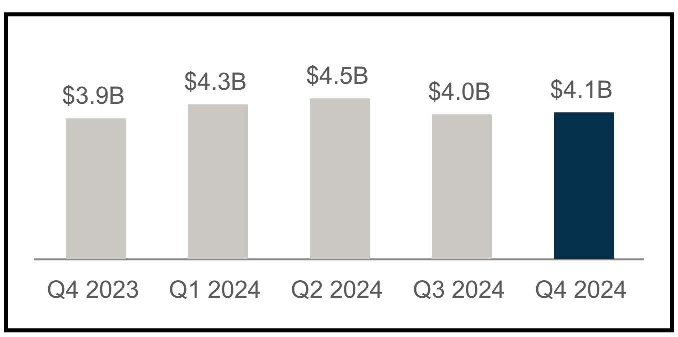


$381 Billion Supporting Housing Activity

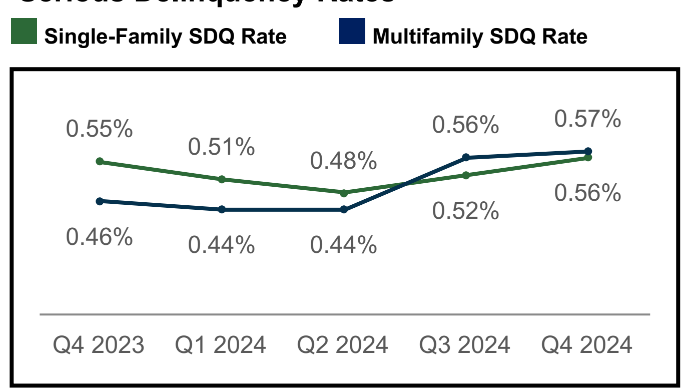


$4.1 Billion Net Income for Q4 2024

Increase of $86 million compared with third quarter 2024



Serious Delinquency Rates



Summary of Financial Results

(Dollars in millions)	2024	2023	Variance	% Change	Q424	Q324	Variance	% Change
Net interest income	**$ 28,748**	$ 28,773	$ (25)	— %*	**$ 7,182**	$ 7,275	$ (93)	(1) %
Fee and other income	**321**	275	46	17 %	**115**	66	49	74 %
Net revenues	**29,069**	29,048	21	— %*	**7,297**	7,341	(44)	(1) %
Benefit (provision) for credit losses	**186**	1,670	(1,484)	(89) %	**(321)**	27	(348)	NM
Fair value gains (losses), net	**1,821**	1,304	517	40 %	**842**	52	790	NM
Investment gains (losses), net	**(38)**	(53)	15	28 %	**(10)**	12	(22)	NM
Non-interest expense:								
Administrative expenses[1]	**(3,619)**	(3,445)	(174)	(5) %	**(947)**	(884)	(63)	(7) %
Legislative assessments[2]	**(3,766)**	(3,745)	(21)	(1) %	**(949)**	(948)	(1)	— %*
Credit enhancement expense[3]	**(1,641)**	(1,512)	(129)	(9) %	**(406)**	(411)	5	1 %
Change in expected credit enhancement recoveries	**194**	(193)	387	NM	**5**	89	(84)	(94) %
Other expenses, net[4]	**(937)**	(1,118)	181	16 %	**(332)**	(225)	(107)	(48) %
Total non-interest expense	**(9,769)**	(10,013)	244	2 %	**(2,629)**	(2,379)	(250)	(11) %
Income before federal income taxes	**21,269**	21,956	(687)	(3) %	**5,179**	5,053	126	2 %
Provision for federal income taxes	**(4,291)**	(4,548)	257	6 %	**(1,049)**	(1,009)	(40)	(4) %
Net income	**$ 16,978**	$ 17,408	$ (430)	(2) %	**$ 4,130**	$ 4,044	$ 86	2 %
Total comprehensive income	**$ 16,975**	$ 17,405	$ (430)	(2) %	**$ 4,127**	$ 4,047	$ 80	2 %
Net worth	**$ 94,657**	$ 77,682	$ 16,975	22 %	**$ 94,657**	$ 90,530	$ 4,127	5 %

NM - Not meaningful

* Represents less than 0.5%

(1) Consists of (1) salaries and employee benefits, and (2) professional services, technology and occupancy expenses.

(2) Consists of TCCA fees, affordable housing allocations and FHFA assessments.

(3) Consists of costs associated with freestanding credit enhancements, which primarily include the company's Connecticut Avenue Securities® ("CAS") and Credit Insurance Risk Transfer™ programs, enterprise-paid mortgage insurance, and certain lender risk-sharing programs.

(4) Consists of debt extinguishment gains and losses, expenses associated with legal claims, foreclosed property income (expense), gains and losses from partnership investments, loan subservicing costs, and servicer fees paid in connection with certain loss mitigation activities.

Key Highlights

- Net income of $17.0 billion for 2024 driven by strong revenues, bringing the company's net worth to $94.7 billion as of December 31, 2024.
  - $29.1 billion of revenues for 2024 primarily driven by guaranty fees on the company's $4.1 trillion guaranty book of business:
    - $24.4 billion of single-family revenues generated from a $3.6 trillion conventional guaranty book with an average charged guaranty fee of 47.6 basis points. 77% of the underlying mortgages in the single-family guaranty book were below a 5% interest rate.
    - $4.7 billion of multifamily revenues generated from a $499.7 billion guaranty book with an average charged guaranty fee of 74.4 basis points.
- Key credit characteristics of the company's guaranty book of business as of December 31, 2024:
  - Single-family conventional guaranty book had a weighted-average mark-to-market loan-to-value ratio of 50%, a weighted-average FICO credit score at origination of 753, and a serious delinquency rate of 0.56%.
  - Multifamily guaranty book had a weighted-average origination loan-to-value ratio of 63%, a weighted-average debt service coverage ratio of 2.0, and a serious delinquency rate of 0.57%.
- Credit enhancements as of December 31, 2024:
  - 46% of the company's single-family guaranty book was covered by one or more forms of credit enhancement, including 21% covered by mortgage insurance, which generally has a first loss position.
  - Approximately 99% of the company's multifamily guaranty book was subject to lender loss-sharing agreements, and 31% was covered by a multifamily credit risk transfer transaction.

Single-Family Business Financial Results

(Dollars in millions)	2024	2023	Variance	% Change	Q424	Q324	Variance	% Change
Net interest income	**$ 24,130**	$ 24,229	$ (99)	— %*	**$ 6,029**	$ 6,131	$ (102)	(2) %
Fee and other income	**245**	205	40	20 %	**91**	48	43	90 %
Net revenues	**24,375**	24,434	(59)	— %*	**6,120**	6,179	(59)	(1) %
Benefit (provision) for credit losses	**938**	2,165	(1,227)	(57) %	**(396)**	451	(847)	NM
Fair value gains (losses), net	**1,745**	1,231	514	42 %	**815**	(8)	823	NM
Investment gains (losses), net	**(53)**	(41)	(12)	(29) %	**(5)**	9	(14)	NM
Non-interest expense:								
Administrative expenses	**(3,000)**	(2,858)	(142)	(5) %	**(776)**	(732)	(44)	(6) %
Legislative assessments	**(3,719)**	(3,699)	(20)	(1) %	**(934)**	(936)	2	— %*
Credit enhancement expense	**(1,349)**	(1,281)	(68)	(5) %	**(327)**	(336)	9	3 %
Change in expected credit enhancement recoveries	**(134)**	(310)	176	57 %	**—**	(45)	45	100 %
Other expenses, net	**(683)**	(851)	168	20 %	**(172)**	(178)	6	3 %
Total non-interest expense	**(8,885)**	(8,999)	114	1 %	**(2,209)**	(2,227)	18	1 %
Income before federal income taxes	**18,120**	18,790	(670)	(4) %	**4,325**	4,404	(79)	(2) %
Provision for federal income taxes	**(3,690)**	(3,935)	245	6 %	**(871)**	(890)	19	2 %
Net income	**$ 14,430**	$ 14,855	$ (425)	(3) %	**$ 3,454**	$ 3,514	$ (60)	(2) %
Average charged guaranty fee on new conventional acquisitions, net of TCCA fees	54.1 bps	53.2 bps	0.9 bps	2 %	56.3 bps	54.1 bps	2.2 bps	4 %
Average charged guaranty fee on conventional guaranty book of business, net of TCCA fees	47.6 bps	46.9 bps	0.7 bps	1 %	47.9 bps	47.7 bps	0.2 bps	— %*

NM - Not meaningful

* Represents less than 0.5%

Single-Family Key Business Highlights

- Single-family conventional acquisition volume was $326.0 billion in 2024, compared with $316.0 billion in 2023. Purchase acquisition volume, of which approximately half was for first-time homebuyers, decreased slightly to $269.9 billion in 2024 from $272.8 billion in 2023. Refinance acquisition volume was $56.1 billion in 2024, an increase from $43.2 billion in 2023.
- The average single-family conventional guaranty book of business decreased by $8.2 billion to $3,626.2 billion in 2024, compared with 2023, driven by loan paydowns and liquidations outpacing acquisitions in 2024. The overall credit characteristics of the single-family conventional guaranty book of business remained strong, with a weighted-average mark-to-market loan-to-value ratio of 50% and a weighted-average FICO credit score at origination of 753 as of December 31, 2024.
- The average charged guaranty fee, net of TCCA fees, on the single-family conventional guaranty book increased slightly to 47.6 basis points in 2024. The average charged guaranty fee on newly acquired single-family conventional loans, net of TCCA fees, increased to 54.1 basis points in 2024 primarily as a result of higher base guaranty fees charged on new acquisitions.
- The single-family serious delinquency rate increased to 0.56% as of December 31, 2024 from 0.55% as of December 31, 2023. Single-family seriously delinquent loans are loans that are 90 days or more past due or in the foreclosure process.

Multifamily Business Financial Results

(Dollars in millions)	2024	2023	Variance	% Change	Q424	Q324	Variance	% Change
Net interest income	**$ 4,618**	$ 4,544	$ 74	2 %	**$ 1,153**	$ 1,144	$ 9	1 %
Fee and other income	**76**	70	6	9 %	**24**	18	6	33 %
Net revenues	**4,694**	4,614	80	2 %	**1,177**	1,162	15	1 %
Benefit (provision) for credit losses	**(752)**	(495)	(257)	(52) %	**75**	(424)	499	NM
Fair value gains (losses), net	**76**	73	3	4 %	**27**	60	(33)	(55)%
Investment gains (losses), net	**15**	(12)	27	NM	**(5)**	3	(8)	NM
Non-interest expense:								
Administrative expenses	**(619)**	(587)	(32)	(5) %	**(171)**	(152)	(19)	(13)%
Legislative assessments	**(47)**	(46)	(1)	(2) %	**(15)**	(12)	(3)	(25)%
Credit enhancement expense	**(292)**	(231)	(61)	(26) %	**(79)**	(75)	(4)	(5)%
Change in expected credit enhancement recoveries	**328**	117	211	180 %	**5**	134	(129)	(96)%
Other expenses, net	**(254)**	(267)	13	5 %	**(160)**	(47)	(113)	NM
Total non-interest expense	**(884)**	(1,014)	130	13 %	**(420)**	(152)	(268)	(176)%
Income before federal income taxes	**3,149**	3,166	(17)	(1) %	**854**	649	205	32 %
Provision for federal income taxes	**(601)**	(613)	12	2 %	**(178)**	(119)	(59)	(50)%
Net income	**$ 2,548**	$ 2,553	$ (5)	— %*	**$ 676**	$ 530	$ 146	28 %
Average charged guaranty fee rate on multifamily guaranty book of business, at period end	74.4 bps	76.1 bps	(1.7) bps	(2) %	74.4 bps	75.1 bps	(0.7) bps	(1)%

NM - Not meaningful

* Represents less than 0.5%

Multifamily Key Business Highlights

- New multifamily business volume was $55.1 billion in 2024, compared with $52.9 billion in 2023. Multifamily business volumes increased in 2024 compared with 2023, reflecting increased market activity in the fourth quarter of 2024.
- The multifamily guaranty book of business grew 6.2% in 2024 to $499.7 billion, driven by the company's acquisitions combined with low prepayment volumes due to the high interest rate environment.
- The average charged guaranty fee on the multifamily guaranty book of business declined by 1.7 basis points in 2024 to 74.4 basis points as of December 31, 2024, due to lower average charged fees on the company's 2024 acquisitions as compared with the existing loans in the multifamily guaranty book of business.
- The multifamily serious delinquency rate increased to 0.57% as of December 31, 2024 from 0.46% as of December 31, 2023, primarily due to a portfolio of approximately $600 million of adjustable-rate conventional loans that became seriously delinquent in the third quarter of 2024. Multifamily seriously delinquent loans are loans that are 60 days or more past due.

Additional Matters

Fannie Mae's Consolidated Balance Sheets and Consolidated Statements of Operations and Comprehensive Income for the full year of 2024 are available in the accompanying Annex; however, investors and interested parties should read the company's annual report on Form 10-K for the year ended December 31, 2024 ("2024 Form 10-K"), which was filed today with the Securities and Exchange Commission and is available on Fannie Mae's website, www.fanniemae.com. The company provides further discussion of its financial results and condition, credit performance, and other matters in its 2024 Form 10-K. Additional information about the company's financial and credit performance is contained in Fannie Mae's "Q4 and Full Year 2024 Financial Supplement" at www.fanniemae.com.

# # #

Fannie Mae provides website addresses in its news releases solely for readers' information. Other content or information appearing on these websites is not part of this release.

Fannie Mae advances equitable and sustainable access to homeownership and quality, affordable rental housing for millions of people across America. We enable the 30-year fixed-rate mortgage and drive responsible innovation to make homebuying and renting easier, fairer, and more accessible. To learn more, visit fanniemae.com.

ANNEX
FANNIE MAE
(In conservatorship)
Consolidated Balance Sheets
(Dollars in millions)

	As of December 31,	
	2024	2023
ASSETS		
Cash and cash equivalents	$ 38,853	$ 35,817
Restricted cash and cash equivalents (includes $31,893 and $25,836, respectively, related to consolidated trusts)	39,958	32,889
Securities purchased under agreements to resell	15,975	30,700
Investments in securities, at fair value	79,197	53,116
Mortgage loans:		
Loans held for sale, at lower of cost or fair value	373	2,149
Loans held for investment, at amortized cost:		
Of Fannie Mae	50,053	48,199
Of consolidated trusts	4,095,287	4,094,013
Total loans held for investment (includes $3,744 and $3,315, respectively, at fair value)	4,145,340	4,142,212
Allowance for loan losses	(7,707)	(8,730)
Total loans held for investment, net of allowance	4,137,633	4,133,482
Total mortgage loans	4,138,006	4,135,631
Advances to lenders	1,825	1,389
Deferred tax assets, net	10,545	11,681
Accrued interest receivable (includes $10,666 and $10,132, respectively, related to consolidated trusts)	11,364	10,724
Other assets	14,008	13,490
Total assets	$ 4,349,731	$ 4,325,437
LIABILITIES AND EQUITY		
Liabilities:		
Accrued interest payable (includes $10,858 and $10,212, respectively, related to consolidated trusts)	$ 11,585	$ 10,931
Debt:		
Of Fannie Mae (includes $385 and $761, respectively, at fair value)	139,422	124,065
Of consolidated trusts (includes $13,292 and $14,343, respectively, at fair value)	4,088,675	4,098,653
Other liabilities (includes $1,699 and $1,713, respectively, related to consolidated trusts)	15,392	14,106
Total liabilities	4,255,074	4,247,755
Commitments and contingencies (Note 17)	—	—
Fannie Mae stockholders' equity:		
Senior preferred stock (liquidation preference of $212,029 and $195,224, respectively)	120,836	120,836
Preferred stock, 700,000,000 shares are authorized—555,374,922 shares issued and outstanding	19,130	19,130
Common stock, no par value, no maximum authorization—1,308,762,703 shares issued and 1,158,087,567 shares outstanding	687	687
Accumulated deficit	(38,625)	(55,603)
Accumulated other comprehensive income	29	32
Treasury stock, at cost, 150,675,136 shares	(7,400)	(7,400)
Total stockholders' equity	94,657	77,682
Total liabilities and equity	$ 4,349,731	$ 4,325,437

See Notes to Consolidated Financial Statements in the 2024 Form 10-K

FANNIE MAE
(In conservatorship)
Consolidated Statements of Operations and Comprehensive Income
(Dollars in millions, except per share amounts)

	For the Year Ended December 31,		
	2024	**2023**	**2022**
Interest income:			
Investments in securities	**$ 3,916**	$ 4,158	$ 1,828
Mortgage loans	**144,152**	133,234	117,813
Other	**2,498**	2,322	656
Total interest income	**150,566**	139,714	120,297
Interest expense:			
Short-term debt	**(595)**	(672)	(76)
Long-term debt	**(121,223)**	(110,269)	(90,798)
Total interest expense	**(121,818)**	(110,941)	(90,874)
Net interest income	**28,748**	28,773	29,423
Benefit (provision) for credit losses	**186**	1,670	(6,277)
Net interest income after benefit (provision) for credit losses	**28,934**	30,443	23,146
Fair value gains (losses), net	**1,821**	1,304	1,284
Investment gains (losses), net	**(38)**	(53)	(297)
Fee and other income	**321**	275	312
Non-interest income	**2,104**	1,526	1,299
Non-interest expense:			
Salaries and employee benefits	**(2,004)**	(1,906)	(1,671)
Professional services, technology, and occupancy	**(1,615)**	(1,539)	(1,526)
Legislative assessments	**(3,766)**	(3,745)	(3,788)
Credit enhancement expense	**(1,641)**	(1,512)	(1,323)
Change in expected credit enhancement recoveries	**194**	(193)	727
Other expenses, net	**(937)**	(1,118)	(631)
Total non-interest expense	**(9,769)**	(10,013)	(8,212)
Income before federal income taxes	**21,269**	21,956	16,233
Provision for federal income taxes	**(4,291)**	(4,548)	(3,310)
Net income	**16,978**	17,408	12,923
Other comprehensive income (loss)	**(3)**	(3)	(3)
Total comprehensive income	**$ 16,975**	$ 17,405	$ 12,920
Net income	**$ 16,978**	$ 17,408	$ 12,923
Dividends distributed or amounts attributable to senior preferred stock	**(16,975)**	(17,405)	(12,920)
Net income attributable to common stockholders	**$ 3**	$ 3	$ 3
Earnings per share:			
Basic	**$ 0.00**	$ 0.00	$ 0.00
Diluted	**0.00**	0.00	0.00
Weighted-average common shares outstanding:			
Basic	**5,867**	5,867	5,867
Diluted	**5,893**	5,893	5,893

See Notes to Consolidated Financial Statements in the 2024 Form 10-K

EXHIBIT 99.2

Fannie Mae®

Financial Supplement
Q4 and Full Year 2024

February 14, 2025

- Some of the terms and other information in this presentation are defined and discussed more fully in Fannie Mae's Form 10-K for the year ended December 31, 2024 ("2024 Form 10-K"). This presentation should be reviewed together with the 2024 Form 10-K, which is available at www.fanniemae.com in the "About Us—Investor Relations—SEC Filings" section. Information on or available through the company's website is not part of this supplement.
- Some of the information in this presentation is based upon information from third-party sources such as sellers and servicers of mortgage loans. Although Fannie Mae generally considers this information reliable, Fannie Mae does not independently verify all reported information.
- Due to rounding, amounts reported in this presentation may not sum to totals indicated (i.e., 100%), or amounts shown as 100% may not reflect the entire population.
- Unless otherwise indicated, data is as of December 31, 2024 or for full year 2024. Data for prior years is as of December 31 or for the full year indicated.
- Note references are to endnotes, appearing on pages 26 to 30.
- Terms used in presentation

  CAS: Connecticut Avenue Securities®

  CIRT™: Credit Insurance Risk Transfer™

  CRT: Credit risk transfer

  DSCR: Weighted-average debt service coverage ratio

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

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

  LTV ratio: Loan-to-value ratio

  MSA: Metropolitan statistical area

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

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

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

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

  UPB: Unpaid principal balance

Table of Contents

Overview

Corporate Highlights

Summary of 2024 and Q4 2024 Financial Results

(Dollars in millions)	2024	2023	Variance	Q4 2024	Q3 2024	Variance
Net interest income	**$28,748**	$28,773	$(25)	**$7,182**	$7,275	$(93)
Fee and other income	**321**	275	46	**115**	66	49
Net revenues	**29,069**	29,048	21	**7,297**	7,341	(44)
Benefit (provision) for credit losses	**186**	1,670	(1,484)	**(321)**	27	(348)
Fair value gains (losses), net	**1,821**	1,304	517	**842**	52	790
Investment gains (losses), net	**(38)**	(53)	15	**(10)**	12	(22)
Non-interest expense:						
Administrative expenses[1]	**(3,619)**	(3,445)	(174)	**(947)**	(884)	(63)
Legislative assessments	**(3,766)**	(3,745)	(21)	**(949)**	(948)	(1)
Credit enhancement expense[2]	**(1,641)**	(1,512)	(129)	**(406)**	(411)	5
Change in expected credit enhancement recoveries	**194**	(193)	387	**5**	89	(84)
Other expenses, net[3]	**(937)**	(1,118)	181	**(332)**	(225)	(107)
Total non-interest expense	**(9,769)**	(10,013)	244	**(2,629)**	(2,379)	(250)
Income before federal income taxes	**21,269**	21,956	(687)	**5,179**	5,053	126
Provision for federal income taxes	**(4,291)**	(4,548)	257	**(1,049)**	(1,009)	(40)
Net income	**$16,978**	$17,408	$(430)	**$4,130**	$4,044	$86
Total comprehensive income	**$16,975**	$17,405	$(430)	**$4,127**	$4,047	$80
Net worth	**$94,657**	$77,682	$16,975	**$94,657**	$90,530	$4,127
Net worth ratio[4]	**2.2 %**	1.8 %		**2.2 %**	2.1 %	

2024 Key Highlights

In 2024, we continued our unwavering focus on serving the U.S. mortgage market, improving our safety and soundness, and enhancing our financial position

- Provided $381 billion of liquidity to the single-family and multifamily mortgage markets
- Helped approximately 1.4 million households buy, refinance, or rent a home
- Delivered $17 billion of annual net income and our twenty-eighth quarter of consecutive positive earnings
- Grew net worth by $17 billion to nearly $95 billion, and built regulatory capital by $18 billion
- Achieved a 31.7% efficiency ratio
- Recognized $3.8 billion in expenses we pay to Treasury, HUD and FHFA for TCCA fees, affordable housing funds and FHFA assessments
- Ended 2024 with a $4.1 trillion guaranty book of business and $4.3 trillion in assets
- Our single-family conventional guaranty book of business is $3.6 trillion in size, 77% of the underlying mortgages are below a 5% interest rate, and the book has a weighted-average mark-to-market LTV ratio of 50%, a weighted average FICO credit score of 753[28] and a serious delinquency rate of 0.56%
- Our multifamily guaranty book of business is $500 billion in size and has a weighted-average OLTV ratio of 63%, DSCR of 2.0 and a serious delinquency rate of 0.57%
- Appointed a new COO and two new board members

Selected Financial Data

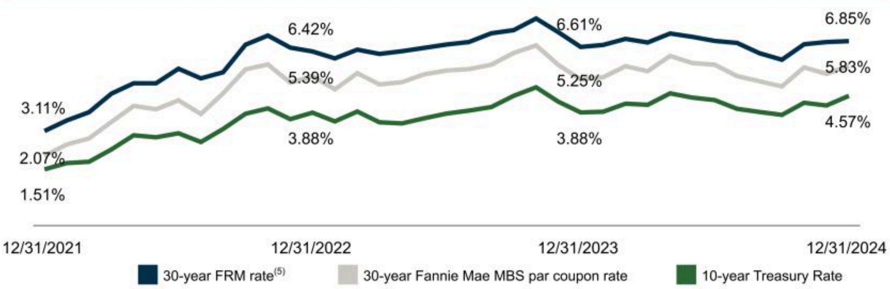
Selected Financial Data

(Dollars in millions)

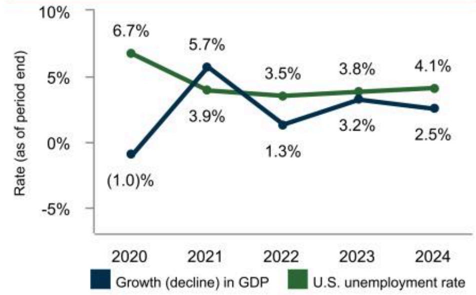
As of December 31,		2024		2023		2022		2021		2020
Cash and cash equivalents	$	38,853	$	35,817	$	57,987	$	42,448	$	38,337
Securities purchased under agreements to resell		15,975		30,700		14,565		20,743		28,200
Investments in securities, at fair value		79,197		53,116		50,825		89,043		138,239
Mortgage loans, net of allowance for loan losses		4,138,006		4,135,631		4,114,436		3,968,242		3,653,892
Total assets	**$**	**4,349,731**	**$**	**4,325,437**	**$**	**4,305,288**	**$**	**4,229,166**	**$**	**3,985,749**
Debt of Fannie Mae		139,422		124,065		134,168		200,892		289,572
Debt of consolidated trusts		4,088,675		4,098,653		4,087,720		3,957,299		3,646,164
Total liabilities	**$**	**4,255,074**	**$**	**4,247,755**	**$**	**4,245,011**	**$**	**4,181,809**	**$**	**3,960,490**
Total Fannie Mae stockholders' equity	**$**	**94,657**	**$**	**77,682**	**$**	**60,277**	**$**	**47,357**	**$**	**25,259**
Credit loss reserves[53]	**$**	**(7,730)**	**$**	**(8,760)**	**$**	**(11,465)**	**$**	**(5,774)**	**$**	**(10,798)**
Credit loss reserves as a percentage of guaranty book of business:										
Single-family[54]		0.15 %		0.18 %		0.26 %		0.15 %		0.30 %
Multifamily[55]		0.48 %		0.44 %		0.43 %		0.17 %		0.32 %
For the Year Ended December 31,		**2024**		**2023**		**2022**		**2021**		**2020**
Net income	**$**	**16,978**	**$**	**17,408**	**$**	**12,923**	**$**	**22,176**	**$**	**11,805**
Return on assets[56]		0.39 %		0.40 %		0.30 %		0.54 %		0.32 %
Efficiency ratio[57]		31.7 %		33.0 %		26.7 %		27.5 %		34.5 %

Key Market Economic Indicators

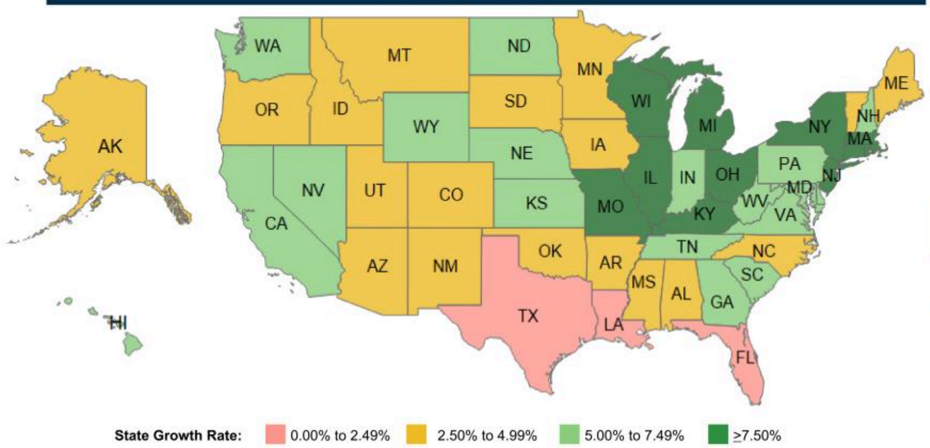
Benchmark Interest Rates



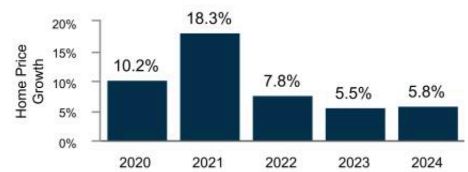
U.S. GDP Growth (Decline) Rate and Unemployment Rate[6]



One Year Home Price Growth Rate Q4 2024[7] United States 5.8%



Single-Family Home Price Growth Rate[7]



Top 10 States by UPB[7]

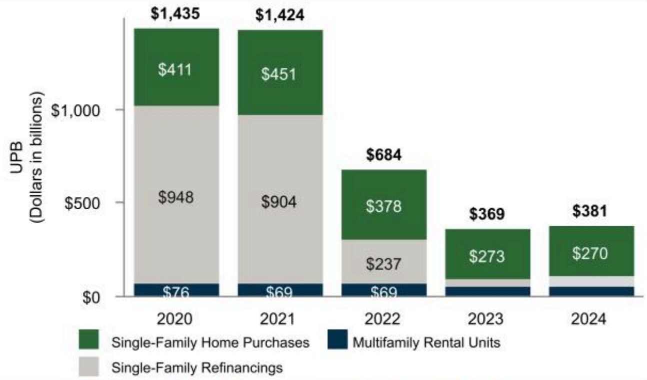
State	One Year Home Price Growth Rate Q4 2024	Share of Single-Family Conventional Guaranty Book
CA	6.5%	19%
TX	1.8%	8%
FL	1.5%	6%
NY	8.1%	4%
WA	5.2%	4%
CO	3.6%	3%
NJ	10.6%	3%
IL	8.6%	3%
VA	7.4%	3%
NC	4.9%	3%

Guaranty Book of Business Highlights

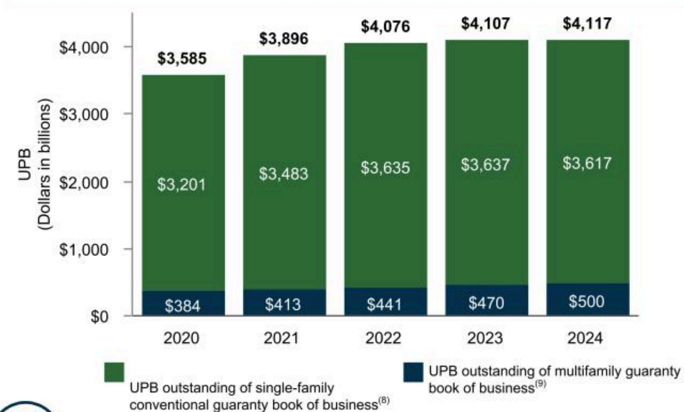
Market Liquidity Provided

Total liquidity provided in 2024 was $381B

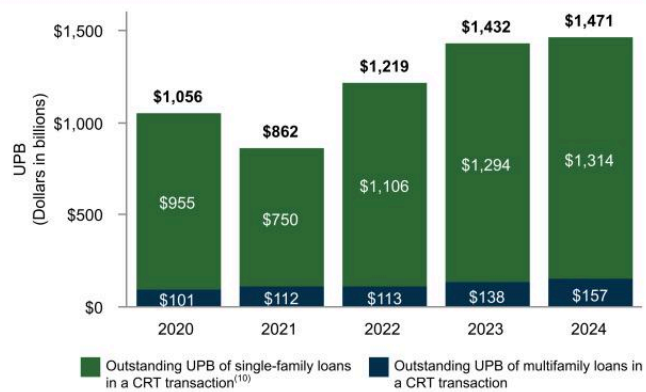
Unpaid Principal Balance	Units
$270B	778K Single-Family Home Purchases
$56B	204K Single-Family Refinancings
$55B	420K Multifamily Rental Units



Outstanding Guaranty Book of Business at Period End

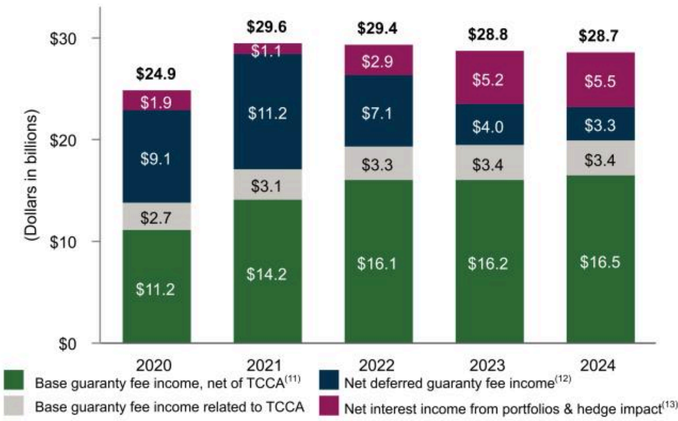


Outstanding Guaranty Book of Business Covered by a CRT Transaction



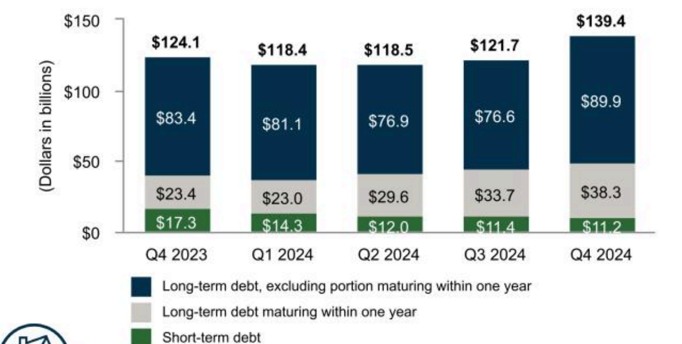
Interest Income and Liquidity Management

Components of Net Interest Income

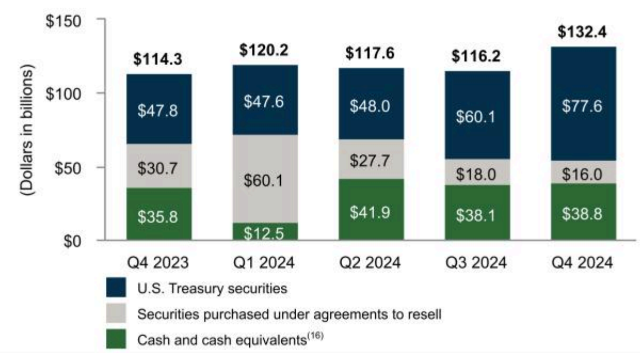


Retained Mortgage Portfolio[14]

Outstanding Debt of Fannie Mae[15]



Corporate Liquidity Portfolio

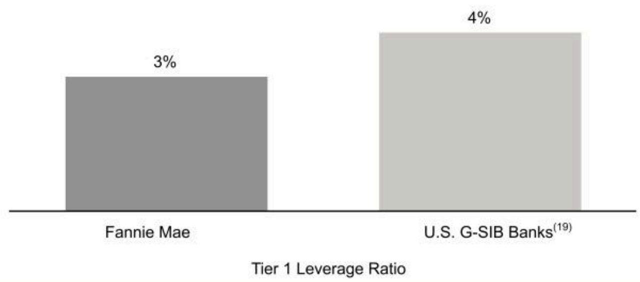


Regulatory Capital Rule and Illustrative Return on Required CET1

Total Risk-Based Regulatory Capital Ratio(17)

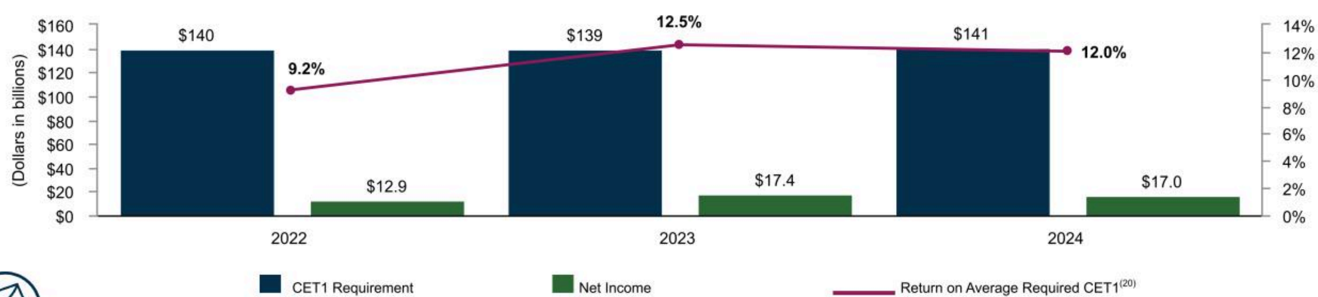
Leverage Capital Ratio(17)

We have a regulatory capital rule that was issued and finalized by FHFA in 2020.(18) Prior to conservatorship, we only had statutory capital requirements. FHFA's capital rule is similar to U.S. bank regulatory capital rules in that it establishes both leverage and risk-based minimum capital requirements, in addition to prescribed capital buffers.



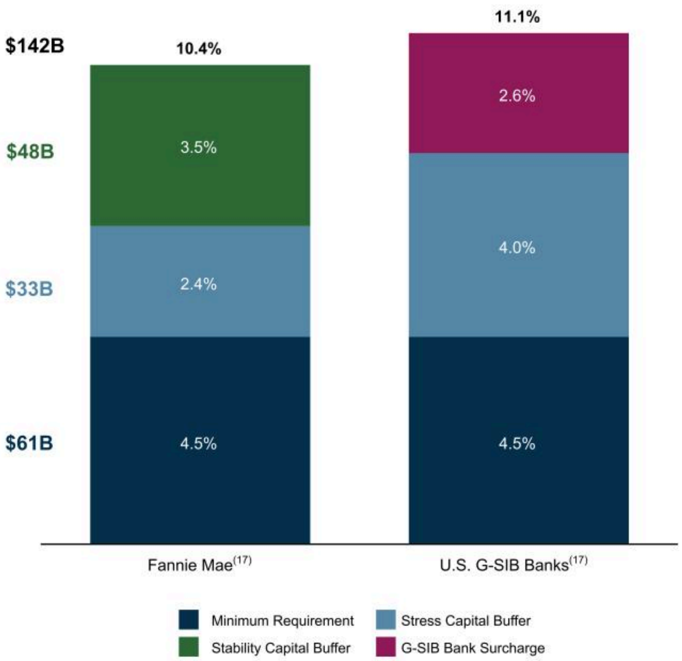
Illustrative Return on Average Required CET1

The Return on Average Required CET1 reflects our net income relative to our Common Equity Tier 1 (CET1) requirement, including buffers. Our net income reflects our current capitalization, in the respective periods, and does not include impacts of being fully capitalized.



Common Equity Tier 1 (CET1) Capital Requirement

CET1 Capital Requirement (Including Buffers)[21]



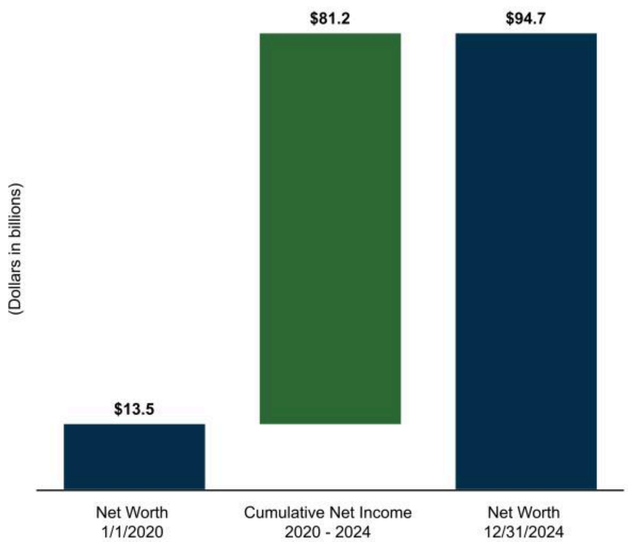
Fannie Mae CET1 Capital Overview

- Our CET1 capital requirement (including buffers) is 10.4% of our risk-weighted assets, equivalent to $142 billion.
- Of the $142 billion, $61 billion represents our minimum capital requirement of 4.5% of our risk-weighted assets.
- Similar to U.S. G-SIB Banks, we are required to hold additional CET1 capital buffer amounts above our 4.5% minimum.
- Our buffers total $81 billion, or 57% of our total CET1 requirement:
  - Stress Capital Buffer: currently set at 0.75% of our adjusted total assets.
  - Stability Capital Buffer: determined by an annual calculation based on our market share of mortgage debt outstanding and our asset size.
    - For each percentage of market share above 5%, the buffer increases by 5 basis points of our adjusted total assets
  - Countercyclical Capital Buffer: currently set at 0.0% of our adjusted total assets.

Net Worth and Regulatory Capital Deficit

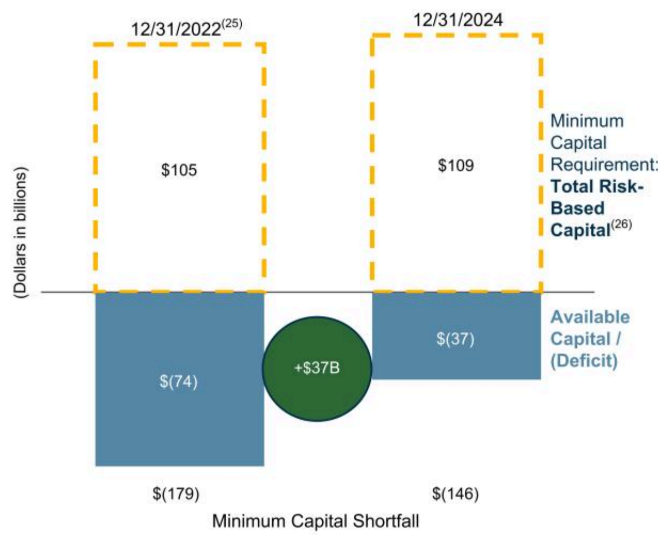
Growth in Net Worth[22]

We resumed retaining our earnings in 2019, resulting in $81.2 billion of net worth growth over the last five years.



Progress Towards Regulatory Capital Requirements

We have a deficit of regulatory capital today primarily because the stated value of the senior preferred stock does not qualify as regulatory capital.[23] Over the past two years, we have built $37 billion[24] of available regulatory capital.



We have materially grown our net worth and meaningfully reduced our regulatory capital deficit

Single-Family Business

Fannie Mae®

Single-Family Highlights

2024

$14,430M
Net income

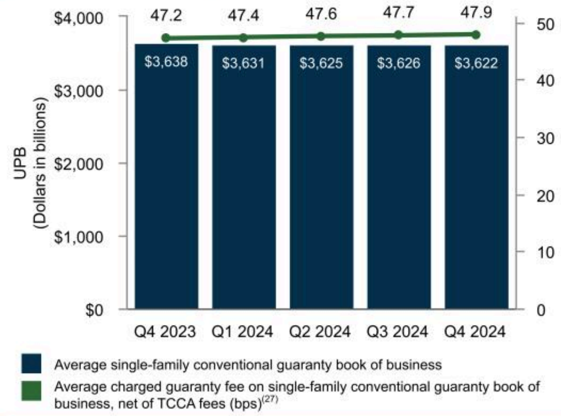
$24,130M
Net interest income

$938M
Benefit (provision) for credit losses

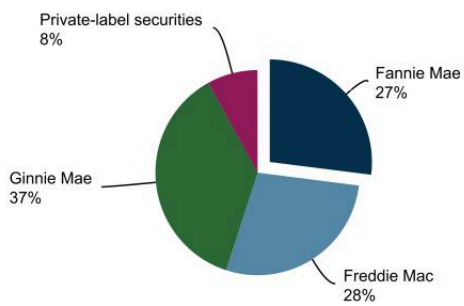
$1,745M
Fair value gains (losses), net

Single-Family Conventional Loan Acquisitions[8]

Single-Family Conventional Guaranty Book of Business[8]



2024 Single-Family Mortgage-Related Securities Share of Issuances



Highlights

- Single-family conventional acquisition volume was $326.0 billion in 2024, compared with $316.0 billion in 2023.
- Purchase acquisition volume, of which approximately half was for first-time homebuyers, decreased slightly to $269.9 billion in 2024 from $272.8 billion in 2023.
- Refinance acquisition volume was $56.1 billion in 2024, an increase from $43.2 billion in 2023.
- The average single-family conventional guaranty book of business decreased by $8.2 billion to $3,626.2 billion in 2024 compared with 2023, driven by loan paydowns and liquidations outpacing acquisitions in 2024.
- The single-family serious delinquency rate increased to 0.56% as of December 31, 2024 from 0.55% as of December 31, 2023.

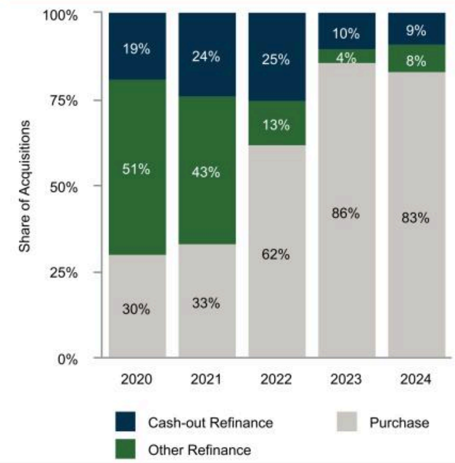
Credit Characteristics of Single-Family Conventional Loan Acquisitions

Categories are not mutually exclusive	Certain Credit Characteristics of Single-Family Conventional Loans by Acquisition Period							2024 Acquisition Credit Profile by Certain Loan Features			
	Q4 2023	Full Year 2023	Q1 2024	Q2 2024	Q3 2024	Q4 2024	Full Year 2024	OLTV Ratio > 95%	Home-Ready®[30]	FICO Credit Score < 680[28]	DTI Ratio > 43%[29]
Total UPB (Dollars in billions)	$70.1	$316.0	$62.3	$85.9	$93.1	$84.7	$326.0	$21.9	$22.0	$16.3	$118.6
Weighted-Average OLTV Ratio	78%	78%	78%	78%	77%	76%	77%	97%	85%	69%	79%
OLTV Ratio > 95%	7%	6%	7%	7%	7%	6%	7%	100%	26%	2%	7%
Weighted-Average FICO® Credit Score[28]	757	755	757	759	759	758	758	753	751	656	753
FICO Credit Score < 680[28]	5%	6%	5%	5%	5%	5%	5%	1%	5%	100%	6%
DTI Ratio > 43%[29]	37%	36%	37%	37%	37%	35%	36%	38%	56%	40%	100%
Fixed-rate	99%	99%	99%	99%	99%	100%	99%	100%	100%	100%	99%
Primary Residence	92%	92%	92%	93%	93%	94%	93%	100%	100%	96%	94%
HomeReady®[30]	5%	4%	6%	7%	7%	6%	7%	26%	100%	7%	10%

Origination Loan-to-Value Ratio

FICO Credit Score[28]

Acquisitions by Loan Purpose



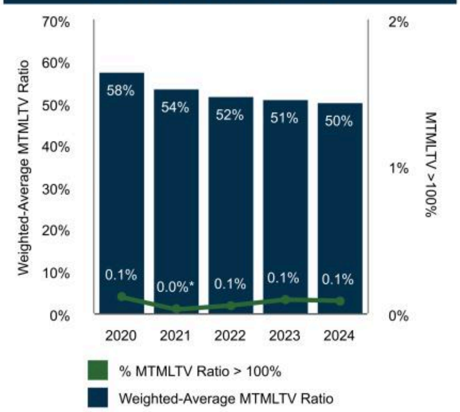
Credit Characteristics of Single-Family Conventional Guaranty Book of Business

Certain Credit Characteristics of Single-Family Conventional Guaranty Book of Business by Origination Year and Loan Features[8][31]

As of December 31, 2024

Categories are not mutually exclusive	Overall Book	Origination Year: 2008 & Earlier	2009-2019	2020	2021	2022	2023	2024	Certain Loan Features: OLTV Ratio > 95%	Home-Ready[8][30]	FICO Credit Score < 680[28]	DTI Ratio > 43%[29]
Total UPB (Dollars in billions)	$3,617.3	$56.0	$751.0	$794.8	$1,006.8	$456.0	$265.4	$287.3	$182.7	$126.3	$266.8	$946.0
Average UPB	$209,326	$74,511	$129,520	$234,583	$252,538	$284,116	$306,532	$324,662	$182,388	$183,343	$161,451	$236,309
Share of SF Conventional Guaranty Book	100%	1%	21%	22%	28%	13%	7%	8%	5%	3%	7%	26%
Share of Loans with Credit Enhancement[32]	46%	8%	39%	29%	52%	65%	75%	39%	85%	78%	42%	52%
Serious Delinquency Rate[33]	0.56%	1.76%	0.63%	0.30%	0.44%	0.89%	0.50%	0.11%	1.24%	1.06%	2.11%	0.87%
Percentage of Seriously Delinquent Loans[34]	100%	14%	38%	10%	18%	15%	4%	1%	13%	8%	36%	36%
Weighted-Average OLTV Ratio	73%	75%	75%	71%	70%	76%	79%	77%	101%	87%	74%	76%
OLTV Ratio > 95%	5%	9%	8%	3%	3%	6%	7%	7%	100%	33%	6%	6%
Weighted-Average Mark-to-Market LTV Ratio[35]	50%	28%	32%	44%	51%	65%	72%	76%	67%	65%	47%	55%
Weighted-Average FICO Credit Score[28]	753	695	746	762	755	747	755	758	739	745	653	744
FICO Credit Score < 680[28]	7%	39%	11%	4%	6%	9%	5%	5%	9%	8%	100%	9%

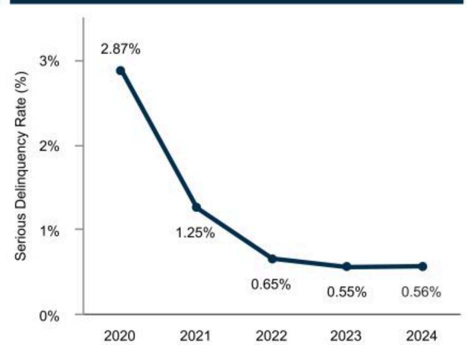
Mark-to-Market Loan-to-Value Ratio[35]



* Represents less than 0.05% of MTMLTV Ratio > 100%

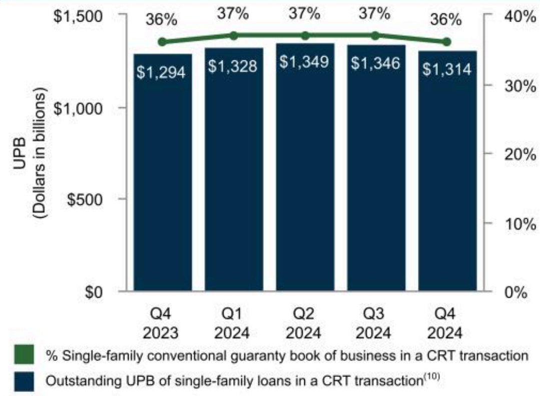
FICO Credit Score[28]

SDQ Rate[33]



Single-Family Credit Risk Transfer

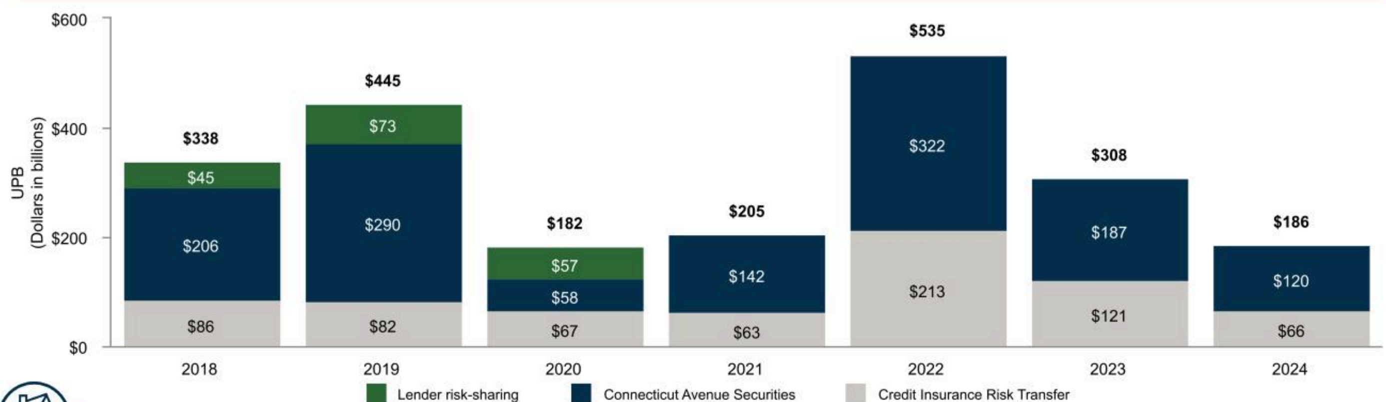
Single-Family Credit Risk Transfer



Single-Family Loans with Credit Enhancement

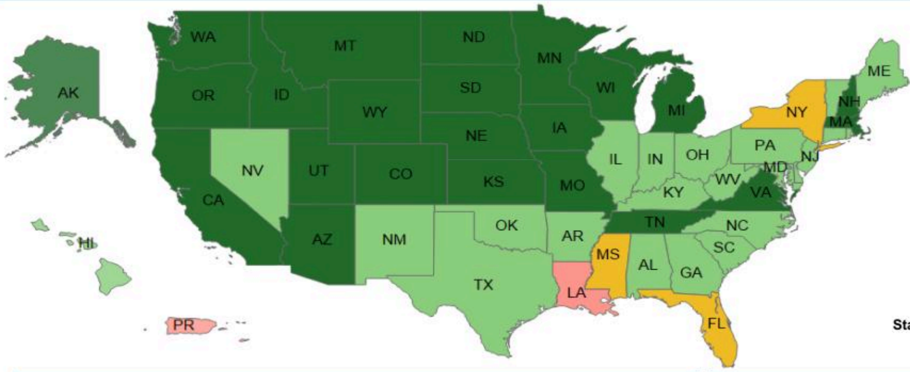
Credit Enhancement Outstanding UPB (Dollars in billions)	2022 Outstanding UPB	2022 % of Book[38] Outstanding	2023 Outstanding UPB	2023 % of Book[38] Outstanding	**2024** Outstanding UPB	**2024** % of Book[38] Outstanding
Primary mortgage insurance and other[36]	$754	21%	$763	21%	**$761**	**21%**
Connecticut Avenue Securities[37]	726	20	843	24	**850**	**23**
Credit Insurance Risk Transfer[10]	323	9	399	11	**419**	**12**
Other	57	2	52	1	**45**	**1**
Less: loans covered by multiple credit enhancements	(351)	(10)	(411)	(12)	**(408)**	**(11)**
Total single-family loans with credit enhancement	$1,509	42%	$1,646	45%	**$1,667**	**46%**

Single-Family Credit Risk Transfer Issuance by Period



Single-Family Problem Loan Statistics

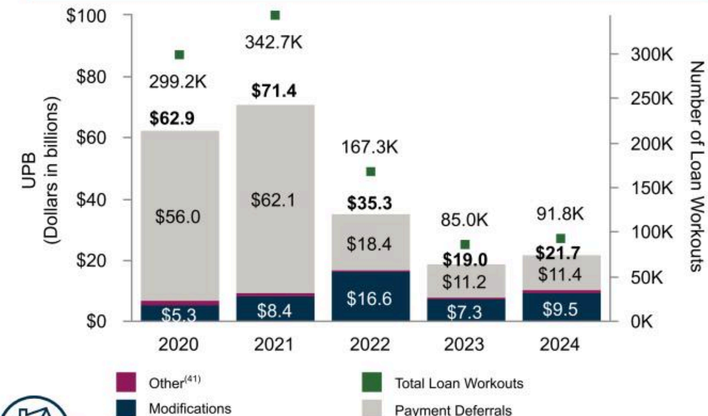
Single-Family Serious Delinquency Rate by State as of December 31, 2024[33]



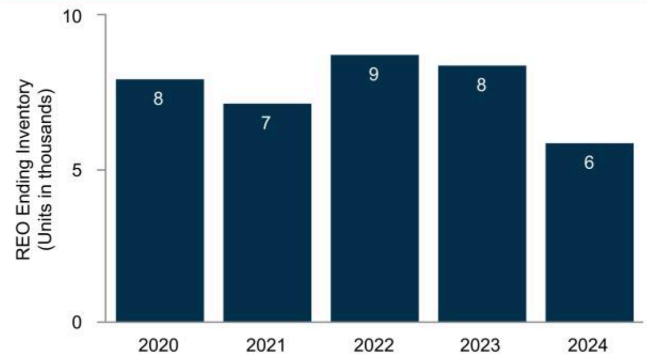
Top 10 States by UPB

State	Serious Delinquency Rate[33]	Average Months to Foreclosure[39]
CA	0.41%	19
TX	0.73%	20
FL	0.96%	45
NY	0.79%	67
WA	0.39%	25
CO	0.39%	16
NJ	0.55%	43
IL	0.69%	28
VA	0.38%	35
NC	0.53%	28

Single-Family Loan Workouts[40]

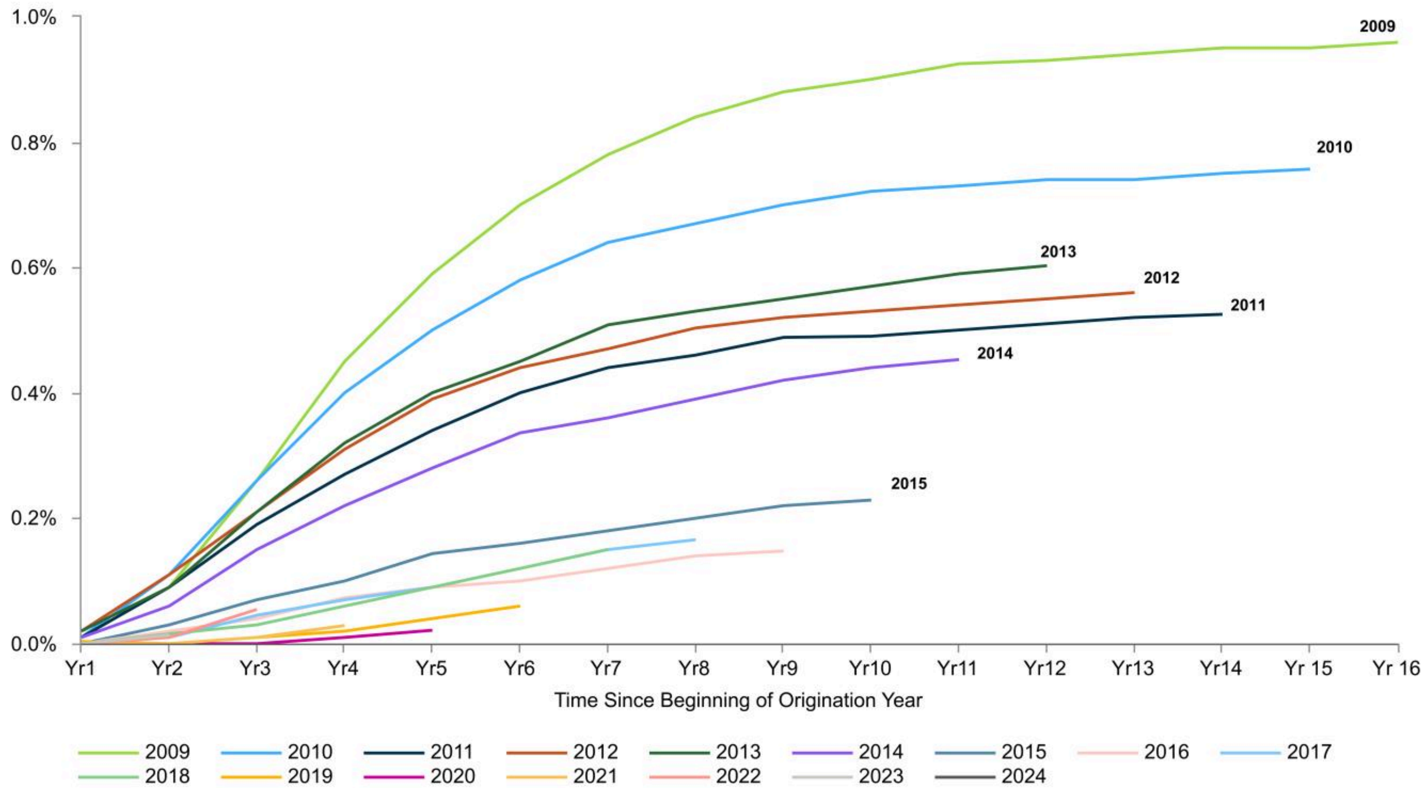


Single-Family REO Ending Inventory



Single-Family Cumulative Default Rates

Cumulative Default Rates of Single-Family Conventional Guaranty Book of Business by Origination Year(42)



* The chart excludes loans originated prior to 2009 as they represent only 1% of the single-family conventional guaranty book of business as of December 31, 2024.

Multifamily Business

Fannie Mae

Multifamily Highlights

2024

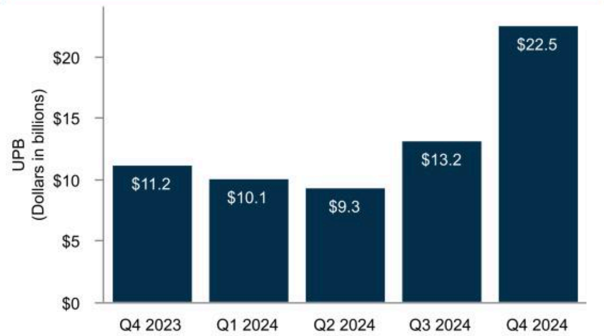
$2,548M
Net income

$4,618M
Net interest income

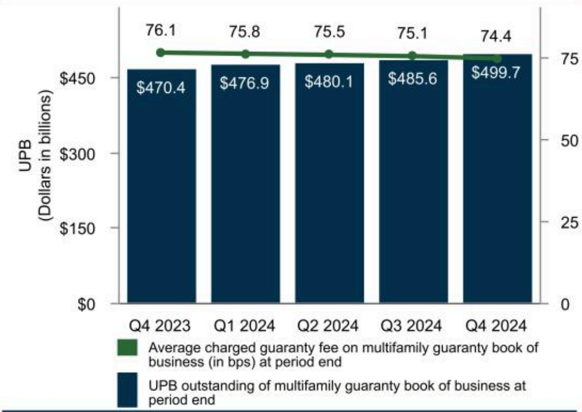
$(752)M
Benefit (provision) for credit losses

$328M
Change in expected credit enhancement recoveries

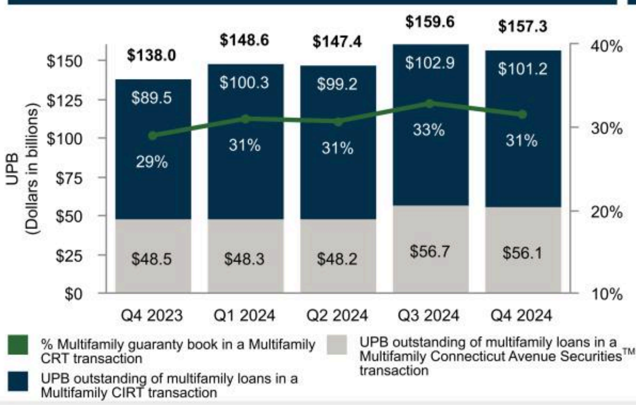
Multifamily New Business Volume



Multifamily Guaranty Book of Business[9]



Multifamily Credit Risk Transfer



Highlights

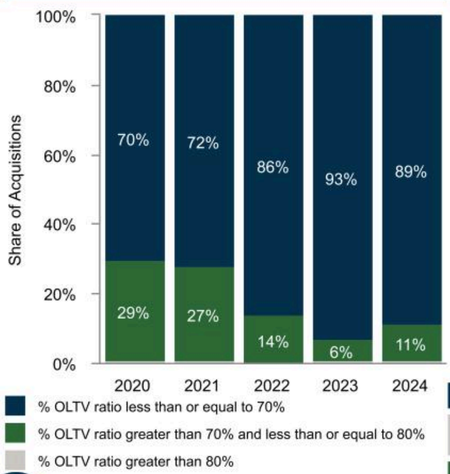
- New multifamily business volume was $55.1 billion in 2024, compared with $52.9 billion in 2023.
- The multifamily guaranty book of business grew by 6% in 2024 to $499.7 billion, driven by the company's acquisitions combined with low prepayment volumes due to the high interest rate environment.
- The average charged guaranty fee on the multifamily guaranty book declined in 2024 to 74.4 basis points as of December 31, 2024, due to lower average charged fees on the company's 2024 acquisitions as compared with the existing loans in the multifamily guaranty book of business.
- The multifamily serious delinquency rate increased to 0.57% as of December 31, 2024, compared with 0.46% as of December 31, 2023.

Credit Characteristics of Multifamily Loan Acquisitions

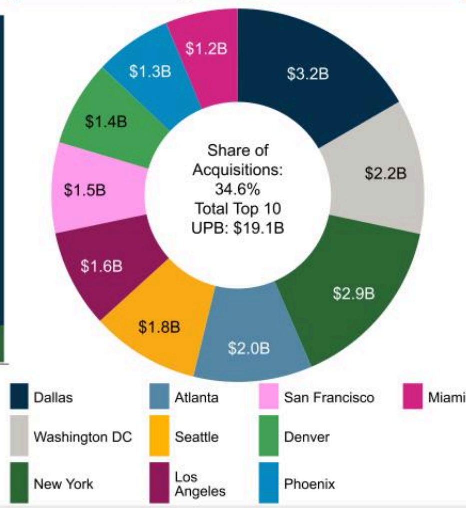
Certain Credit Characteristics of Multifamily Loans by Acquisition Period

Categories are not mutually exclusive	2020	2021	2022	2023	**2024**
Total UPB (Dollars in billions)	$76.0	$69.5	$69.2	$52.9	**$55.1**
Weighted-Average OLTV Ratio	64%	65%	59%	59%	**62%**
Loan Count	5,051	4,203	3,572	2,812	**2,602**
% Lender Recourse[43]	99%	100%	100%	100%	**99%**
% DUS[44]	99%	99%	99%	99%	**99%**
% Full Interest-Only	38%	40%	53%	63%	**61%**
Weighted-Average OLTV Ratio on Full Interest-Only Acquisitions	58%	59%	56%	57%	**59%**
Weighted-Average OLTV Ratio on Non-Full Interest-Only Acquisitions	68%	68%	63%	63%	**66%**
% Partial Interest-Only[45]	50%	50%	39%	32%	**31%**

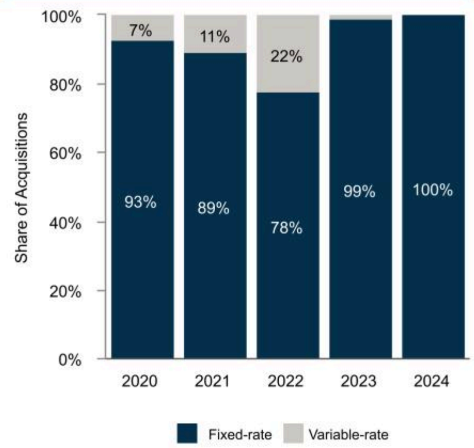
Origination Loan-to-Value Ratio



Top 10 MSAs by 2024 Acquisition UPB



Acquisitions by Note Type



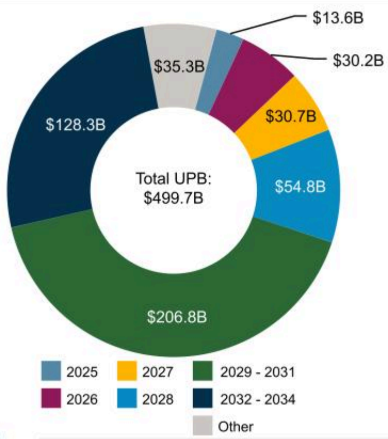
Credit Characteristics of Multifamily Guaranty Book of Business

Certain Credit Characteristics of Multifamily Guaranty Book of Business by Acquisition Year, Asset Class, or Targeted Affordable Segment[9]

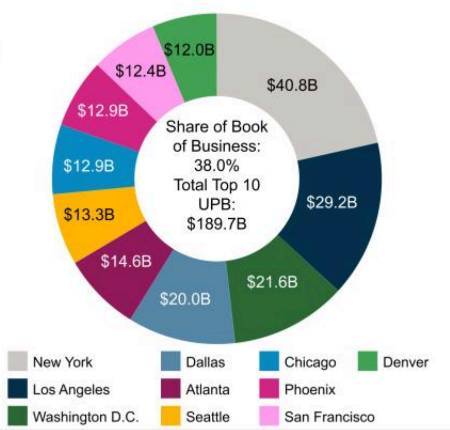
As of December 31, 2024		Acquisition Year						Asset Class or Targeted Affordable Segment				
Categories are not mutually exclusive	Overall Book	2016 & Earlier	2017-2020	2021	2022	2023	2024	Conventional /Co-op[50]	Seniors Housing[50]	Student Housing[50]	Manufactured Housing[50]	Affordable[51]
Total UPB (Dollars in billions)	$499.7	$51.8	$209.4	$64.9	$65.9	$52.6	$55.1	$449.9	$14.6	$13.2	$22.0	$60.6
% of Multifamily Guaranty Book	100%	10%	42%	13%	13%	11%	11%	90%	3%	3%	4%	12%
Loan Count	29,651	4,907	11,995	3,912	3,447	2,787	2,603	26,662	513	510	1,966	4,071
Average UPB (Dollars in millions)	$16.9	$10.6	$17.5	$16.6	$19.1	$18.8	$21.2	$16.9	$28.4	$26.0	$11.2	$14.9
Weighted-Average OLTV Ratio	63%	66%	65%	64%	59%	59%	62%	63%	64%	65%	61%	67%
Weighted-Average DSCR[46]	2.0	2.0	2.2	2.3	1.6	1.6	1.6	2.0	1.5	1.8	2.2	1.8
% with DSCR Below 1.0[46]	6%	6%	5%	4%	14%	3%	*	5%	26%	7%	2%	8%
% Fixed Rate	93%	86%	95%	93%	81%	99%	100%	94%	76%	84%	94%	89%
% Full Interest-Only	45%	30%	37%	41%	54%	63%	62%	46%	22%	35%	41%	29%
% Partial Interest-Only[45]	44%	45%	51%	50%	39%	32%	31%	43%	60%	59%	47%	45%
% Small Balance Loans[47]	47%	67%	45%	44%	38%	40%	34%	46%	21%	36%	66%	52%
Serious Delinquency Rate[48]	0.57%	0.97%	0.41%	0.36%	1.33%	0.73%	0.01%	0.48%	4.21%	0.37%	0.13%	0.36%
% Criticized[49]	7%	8%	6%	5%	15%	6%	1%	6%	30%	8%	2%	9%

* represents less than 0.5%

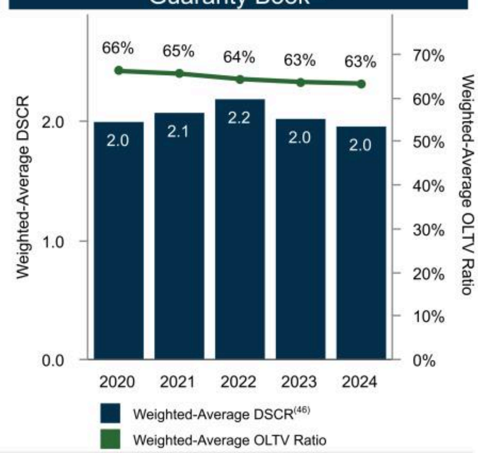
UPB by Maturity Year As of December 31, 2024[9]



Top 10 MSAs by UPB As of December 31, 2024[9]

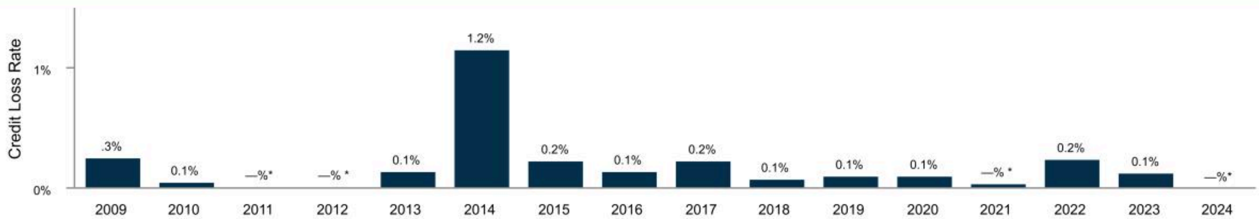


Certain Credit Characteristics of Guaranty Book[9]



Multifamily Problem Loan Statistics

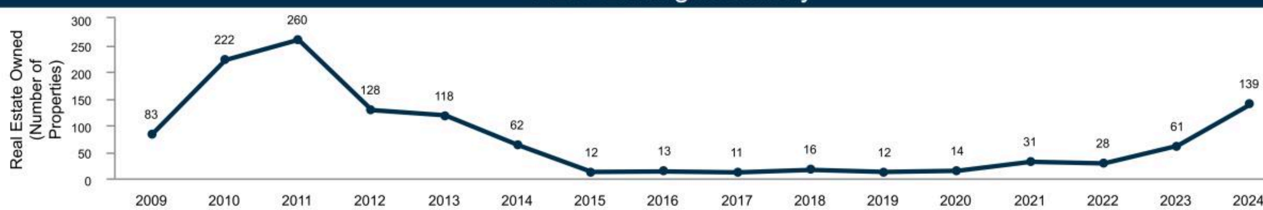
Cumulative Total Credit Loss Rate, Net by Acquisition Year Through Q4 2024[52]



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

Serious Delinquency Rate[48] and Percent Criticized[49] as of Period End

REO Ending Inventory



Endnotes

Endnotes

(1) Consists of (1) salaries and employee benefits, and (2) professional services, technology and occupancy expenses.

(2) Single-family credit enhancement expense consists of costs associated with the company's freestanding credit enhancements, which primarily include the company's Connecticut Avenue Securities® and Credit Insurance Risk Transfer™ programs, enterprise-paid mortgage insurance and certain lender risk-sharing programs. Multifamily credit enhancement expense primarily consists of costs associated with the company's Multifamily CIRT™ and Multifamily CAS programs as well as amortization expense for certain lender risk-sharing programs. Excludes CAS transactions accounted for as debt instruments and credit risk transfer programs accounted for as derivative instruments.

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

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

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

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

(7) Home price estimates are based on purchase transactions in Fannie-Freddie acquisition and public deed data available through the end of December 2024. Including subsequent data may lead to materially different results. Home price growth rate is not seasonally adjusted. UPB estimates are based on data available through the end of December 2024, and the top 10 states are reported by UPB in descending order. One-year home price growth rate is for the 12-month period ending December 31, 2024.

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

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

(10) Includes mortgage pool insurance transactions.

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

(12) "Deferred guaranty fee income" refers to income primarily from the upfront fees that the company receives at the time of loan acquisition related to single-family loan-level price adjustments or other fees the company receives from lenders, which are amortized over the contractual life of the loan. Deferred guaranty fee income also includes the amortization of cost basis adjustments on mortgage loans and debt of consolidated trusts that are not associated with upfront fees.

(13) Net interest income from portfolios consists of: interest income from assets held in the company's retained mortgage portfolio and corporate liquidity portfolio; interest income from other assets used to support lender liquidity; and interest expense on the company's outstanding corporate debt and Connecticut Avenue Securities® debt. For purposes of this Financial Supplement chart, income (expense) from hedge accounting is included in the "net interest income from portfolios & hedge impact" category; however, the company does not consider income (expense) from hedge accounting to be a component of net interest income from portfolios. The company had $840 million in hedge accounting expense in 2024.

Endnotes

(14) Retained mortgage portfolio refers to the mortgage-related assets the company owns (excluding the portion of assets that back mortgage-related securities owned by third parties). We classify our retained mortgage portfolio into three categories: lender liquidity, loss mitigation and other, which categories are described in the company's 2024 Form 10-K.

(15) Outstanding debt balance consists of the unpaid principal balance, premiums and discounts, fair value adjustments, hedge-related basis adjustments and other cost basis adjustments.

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

(17) Fannie Mae information is as of 12/31/2024. U.S. G-SIB Banks represent the applicable capital requirements that are effective October 2024. Ratios are calculated as a percentage of risk-weighted assets for risk-based capital metrics and as a percentage of adjusted total assets for leverage capital metrics. The U.S. G-SIB Banks leverage ratio represents the minimum regulatory tier 1 leverage ratio. Fannie Mae tier 1 leverage ratio includes capital buffers. Tier 1 leverage ratio under the enterprise regulatory capital framework is calculated as required tier 1 capital divided by adjusted total assets.

(18) While the company is in conservatorship, the company is not required to comply with the minimum capital or buffer requirements.

(19) U.S. G-SIB Banks refers to United States global systemically important banks, as defined by the Financial Stability Board, which as of November 2024 consisted of Bank of America Corp., Bank of New York Mellon Corp., Citigroup Inc., Goldman Sachs Group Inc., JPMorgan Chase & Co., Morgan Stanley, State Street Corp., and Wells Fargo & Co. U.S. G-SIB Bank capital metrics represent the average of those banks capital requirements post-2024 stress test as outlined by the Federal Reserve. See https://www.federalreserve.gov/publications/files/large-bank-capital-requirements-20240828.pdf

(20) CET1 requirement as presented represents our average CET1 capital requirement under the enterprise regulatory capital framework for the applicable periods (which is not currently in effect while we are in conservatorship) and not the amount of our actual average CET1 capital for the reported periods. Average required CET1 for 2022 represents the average of the Q1 2022 and Q4 2022 required CET1 as reported in our Form 10-Q and 10-K.

(21) Fannie Mae information is as of 12/31/2024. U.S. G-SIB Banks represent the applicable capital requirements that are effective October 2024.

(22) Net worth is also reported as stockholders' equity on our GAAP financial statements.

(23) Stated value of the senior preferred stock was $120.8 billion as of December 31, 2024.

(24) The $37 billion of available regulatory capital the company built in the last two years consists of the sum of: net income we earned and the amount by which our deferred tax asset changed.

(25) The enterprise regulatory capital framework became effective on January 1, 2022, and has a transition period for compliance, as described in the company's 2024 Form 10-K.

(26) Minimum capital requirement does not include buffers.

Endnotes

(27) Represents, on an annualized basis, the sum of the base guaranty fees charged during the period for the company's single-family conventional guaranty arrangements plus the recognition of any upfront cash payments relating to these guaranty arrangements based on an estimated average life at the time of acquisition. Excludes the impact of a 10 basis point guaranty fee increase implemented pursuant to the TCCA, the incremental revenue from which is paid to Treasury and not retained by the company.

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

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

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

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

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

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

(34) Calculated based on the number of single-family loans that were seriously delinquent for each category divided by the total number of single-family conventional loans that were seriously delinquent.

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

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

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

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

(39) Measured from the borrowers' last paid installment on their mortgages to when the related properties were added to the company's REO inventory for foreclosures completed during the twelve months ended December 31, 2024. Home Equity Conversion Mortgages insured by the Department of Housing and Urban Development are excluded from this calculation.

Endnotes

(40) This chart does not include loans in an active forbearance arrangement, trial modifications, and repayment plans that have been initiated but not completed. There were approximately 19,300 loans in a trial modification period that was not complete as of December 31, 2024.

(41) Includes repayment plans and foreclosure alternatives. Repayment plans reflect only those plans associated with loans that were 60 days or more delinquent.

(42) Defaults include loan foreclosures, short sales, sales to third parties at the time of foreclosure and deeds-in-lieu of foreclosure. Cumulative Default Rate is the total number of single-family conventional loans in the guaranty book of business originated in the identified year that have defaulted, divided by the total number of single-family conventional loans in the guaranty book of business originated in the identified year. Data as of December 31, 2024 is not necessarily indicative of the ultimate performance of the loans and performance may change, perhaps materially, in future periods.

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

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

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

(46) Estimates of current DSCRs are based on the latest available income information covering a 12 month period, from quarterly and annual statements for these properties including the related debt service. When an annual statement is the latest statement available, it is used. When operating statement information is not available, the underwritten DSCR is used. Co-op loans are excluded from this metric.

(47) Small balance loans refer to multifamily loans with an original unpaid principal balance of up to $9 million. Small balance loans are included within the asset class categories referenced above. We present this metric in the table based on loan count rather than unpaid principal balance. Small balance loans comprised 10%, 11% and 11% of our multifamily guaranty book of business as of December 31, 2024, December 31, 2023 and December 31, 2022, respectively, based on unpaid principal balance of the loan.

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

(49) Criticized loans represent loans classified as "Special Mention," "Substandard" or "Doubtful." Loans classified as "Special Mention" refers to loans that are otherwise performing but have potential weaknesses that, if left uncorrected, may result in deterioration in the borrower's ability to repay in full. Loans classified as "Substandard" have a well-defined weakness that jeopardizes the timely full repayment. "Doubtful" refers to a loan with a weakness that makes collection or liquidation in full highly questionable and improbable based on existing conditions and values.

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

(51) Represents Multifamily Affordable Housing loans, which are defined as financing for properties that are under an agreement that provides long-term affordability, such as properties with rent subsidies or income restrictions.

(52) Cumulative net credit loss rate is the cumulative net credit losses through December 31, 2024 on the multifamily loans that were acquired in the applicable period, as a percentage of the total acquired unpaid principal balance of multifamily loans that were acquired in the applicable period. Net credit losses include expected benefit of freestanding loss-sharing arrangements, primarily multifamily DUS lender risk-sharing transactions. Credit loss rate for 2014 acquisitions was primarily driven by the write-off of a seniors housing portfolio in Q1 2023.

Endnotes

(53) Consists of the company's allowance for loan losses, allowance for accrued interest receivable and reserve for guaranty losses.

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

(55) Our multifamily credit loss reserves exclude the expected benefit of freestanding credit enhancements on multifamily loans, which are recorded in "Other assets" in our consolidated balance sheets.

(56) Calculated based on net income for the reporting period divided by average total assets during the period, expressed as a percentage. Average balances for purposes of ratio calculations is based on quarter-end balances.

(57) Efficiency ratio is calculated as non-interest expense divided by the sum of net interest income and non-interest income. As presented in the Selected Financial Data slide of this Financial Supplement, non-interest income consists of the sum of “Fee and other income,” “Investment gains (losses), net” and “Fair value gains (losses), net.”