

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): **November 21, 2003**

Federal National Mortgage Association

(Exact name of registrant as specified in its charter)

Fannie Mae

Federally chartered corporation

*(State or other jurisdiction
of incorporation)*

0-50231

*(Commission
File Number)*

52-0883107

*(IRS Employer
Identification Number)*

**3900 Wisconsin Avenue, NW
Washington, DC**

(Address of principal executive offices)

20016

(Zip Code)

Registrant's telephone number, including area code: 202-752-7000

Item 9. Regulation FD Disclosure.

On November 21, 2003, Fannie Mae (formally, the Federal National Mortgage Association), issues its quarterly business activity supplement for the third quarter of 2003, a copy of which is furnished as Exhibit 99.1 to this report, and which is incorporated herein by reference.

This information, including the exhibits attached hereto, shall not be deemed “filed” for purposes of Section 18 of the Securities Exchange Act of 1934, nor shall it be deemed incorporated by reference in any disclosure document of the Company, except as shall be expressly set forth by specific reference in such 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/ Leanne G. Spencer _____

Leanne G. Spencer
Senior Vice President and Controller

Date: November 21, 2003

EXHIBIT INDEX

The following is a list of the Exhibits furnished herewith.

| <u>Exhibit Number</u> | <u>Description of Exhibit</u> |
|-----------------------|--|
| 99.1 | Quarterly business activity supplement for the third quarter of 2003, issued by Fannie Mae on November 21, 2003. |



Business Activity Supplement

Third Quarter 2003

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This supplement contains statistical data which are unaudited. The unaudited data should be read in conjunction with audited financial statements, notes to the financial statements, and management's discussion and analysis of financial conditions and results of operations, included in Fannie Mae's Annual Report on Form 10-K for the fiscal year ended December 31, 2002, filed with the Securities and Exchange Commission (SEC), and also with the unaudited financial statements, notes to the financial statements, and management's discussion and analysis of financial condition and results of operations, included in Fannie Mae's Quarterly Report on Form 10-Q for the quarterly period ended September 30, 2003, also filed with the SEC.



FannieMae
PORTFOLIO COMMITMENT ACTIVITY
September 2003

(Dollars in millions)

Mandatory Commitments to Purchase Loans 2/

| | Single-Family | | | | | Total Mandatory Commitments | Commitments to Sell | Retained Commitments |
|--------------|----------------|---------------------------|--|-----------------|-----------------|-----------------------------------|------------------------|-------------------------|
| | FHA/VA | Conventional Long-Term | Conventional Intermediate -Term 1/ | ARM | Multifamily | | | |
| 1997 | \$4,693 | \$ 55,884 | \$ 6,043 | \$ 2,380 | \$ 965 | \$ 69,965 | \$ 1,298 | \$ 68,667 |
| 1998 | 5,075 | 156,623 | 28,237 | 2,017 | 1,843 | 193,795 | 1,880 | 191,915 |
| 1999 | 24,065 | 142,529 | 12,609 | 6,129 | 2,616 | 187,948 | 5,900 | 182,048 |
| 2000 | 4,754 | 123,504 | 10,980 | 19,006 | 5,445 | 163,689 | 11,786 | 151,903 |
| 2001 | 4,313 | 261,240 | 28,361 | 3,636 | 6,534 | 304,084 | 7,586 | 296,498 |
| 2002 | | | | | | | | |
| Qtr 1 | \$664 | \$ 38,052 | \$12,845 | \$ 979 | \$ 1,665 | \$ 54,205 | \$ 3,422 | \$ 50,783 |
| Qtr 2 | 5,280 | 48,253 | 7,246 | 971 | 1,458 | 63,208 | 3,280 | 59,928 |
| Qtr 3 | 380 | 105,185 | 21,685 | 1,725 | 1,421 | 130,396 | 2,370 | 128,026 |
| Qtr 4 | 634 | 123,929 | 23,842 | 1,373 | 2,740 | 152,518 | 3,196 | 149,322 |
| Total | \$6,958 | \$315,419 | \$65,618 | \$ 5,048 | \$ 7,284 | \$400,327 | \$12,268 | \$388,059 |
| 2003 | | | | | | | | |
| January | \$74 | \$ 20,144 | \$ 6,442 | \$ 528 | \$ 626 | \$ 27,814 | \$ 2,717 | \$ 25,097 |
| February | 137 | 43,868 | 7,244 | 644 | 586 | 52,479 | 1,241 | 51,238 |
| March | 441 | 32,633 | 7,407 | 791 | 733 | 42,005 | 2,457 | 39,548 |
| Qtr 1 | 652 | 96,645 | 21,093 | 1,963 | 1,945 | 122,298 | 6,415 | 115,883 |
| April | 382 | 35,989 | 4,428 | 985 | 1,122 | 42,906 | 1,479 | 41,427 |
| May | 250 | 53,727 | 19,133 | 1,573 | 886 | 75,569 | 1,785 | 73,784 |
| June | 406 | 49,137 | 26,255 | 1,916 | 1,458 | 79,172 | 3,657 | 75,515 |
| Qtr 2 | 1,038 | 138,853 | 49,816 | 4,474 | 3,466 | 197,647 | 6,921 | 190,726 |
| July | 577 | 60,145 | 15,164 | 1,161 | 2,547 | 79,594 | 1,915 | 77,679 |
| August | 219 | 36,683 | 6,798 | 1,780 | 956 | 46,436 | 3,085 | 43,351 |
| September | 517 | 25,162 | 2,769 | 3,023 | 1,230 | 32,701 | 4,740 | 27,961 |
| Qtr 3 | 1,313 | 121,990 | 24,731 | 5,964 | 4,733 | 158,731 | 9,740 | 148,991 |
| YTD | \$3,003 | \$357,488 | \$95,640 | \$12,401 | \$10,144 | \$478,676 | \$23,076 | \$455,600 |

1/ Contractual maturities of 20 years or less for portfolio loans and 15 years or less for MBS.

2/ Net of pair-offs.



Fannie Mae
MORTGAGE PURCHASES
September 2003

(Dollars in millions)

Single-Family

| | FHA/VA | Conventional Long-Term | Conventional Intermediate -Term 1/ | ARM | Multifamily | Total Purchases | Purchase Yield 2/ | Fannie Mae MBS 3/ |
|-------------|----------|------------------------|------------------------------------|-----------|-------------|-----------------|-------------------|-------------------|
| 1997 | \$ 5,539 | \$ 55,925 | \$ 6,030 | \$ 1,977 | \$ 994 | \$ 70,465 | 7.40% | \$ 39,032 |
| 1998 | 6,016 | 147,615 | 28,725 | 3,507 | 2,585 | 188,448 | 6.61% | 104,728 |
| 1999 | 23,575 | 146,679 | 15,315 | 6,073 | 3,568 | 195,210 | 6.88% | 125,498 |
| 2000 | 6,940 | 113,444 | 11,607 | 17,683 | 4,557 | 154,231 | 7.62% | 104,904 |
| 2001 | 6,001 | 226,516 | 26,146 | 3,777 | 8,144 | 270,584 | 6.56% | 180,582 |
| 2002 | | | | | | | | |
| Qtr 1 | \$ 1,255 | \$ 74,262 | \$ 11,868 | \$ 1,514 | \$ 2,047 | \$ 90,946 | 6.31% | \$ 67,112 |
| Qtr 2 | 5,879 | 35,712 | 11,667 | 1,928 | 1,731 | 56,917 | 6.37% | 29,133 |
| Qtr 3 | 1,120 | 59,013 | 10,336 | 2,466 | 1,292 | 74,227 | 5.94% | 44,269 |
| Qtr 4 | 1,239 | 111,828 | 28,231 | 4,831 | 2,422 | 148,551 | 5.49% | 104,525 |
| Total | \$ 9,493 | \$ 280,815 | \$ 62,102 | \$ 10,739 | \$ 7,492 | \$ 370,641 | 5.92% | \$ 245,039 |
| 2003 | | | | | | | | |
| January | \$ 250 | \$ 45,586 | \$ 9,645 | \$ 921 | \$ 879 | \$ 57,281 | 5.44% | \$ 42,858 |
| February | 261 | 33,638 | 4,720 | 1,195 | 606 | 40,420 | 5.32% | 27,530 |
| March | 417 | 26,560 | 5,205 | 1,439 | 683 | 34,304 | 5.20% | 18,252 |
| Qtr 1 | 928 | 105,784 | 19,570 | 3,555 | 2,168 | 132,005 | 5.34% | 88,640 |
| April | 593 | 34,822 | 5,710 | 1,270 | 633 | 43,028 | 5.20% | 25,648 |
| May | 353 | 35,110 | 6,042 | 1,291 | 953 | 43,749 | 5.12% | 23,180 |
| June | 547 | 32,272 | 6,152 | 1,335 | 877 | 41,183 | 4.96% | 21,655 |
| Qtr 2 | 1,493 | 102,204 | 17,904 | 3,896 | 2,463 | 127,960 | 5.09% | 70,483 |
| July | 686 | 61,487 | 6,910 | 1,162 | 2,201 | 72,446 | 4.86% | 48,266 |
| August | 608 | 60,440 | 15,761 | 4,447 | 1,401 | 82,657 | 4.83% | 54,295 |
| September | 558 | 73,908 | 17,768 | 5,460 | 1,111 | 98,805 | 4.85% | 73,505 |
| Qtr 3 | 1,852 | 195,835 | 40,439 | 11,069 | 4,713 | 253,908 | 4.85% | 176,066 |
| YTD | \$ 4,273 | \$ 403,823 | \$ 77,913 | \$ 18,520 | \$ 9,344 | \$ 513,873 | 5.03% | \$ 335,189 |

1/ Contractual maturities of 20 years or less for portfolio loans and 15 years or less for MBS.

2/ Yields are shown on a tax equivalent basis.

3/ Included in total purchases.



FannieMae
**FIXED RATE MORTGAGES BY NOTE RATE 1/
 SEPTEMBER 2003**

(Dollars in millions)

| End of Period | under 6.00% | 6.00% to 6.49% | 6.50% to 6.99% | 7.00% to 7.49% | 7.50% to 7.99% | 8.00% to 8.49% | 8.50% to 8.99% | 9.00% to 9.49% | 9.50% to 9.99% | 10.00% and over | Total |
|------------------|----------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|-----------------------|------------|
| 1997 | \$914 | \$ 11,218 | \$ 71,085 | \$163,002 | \$227,750 | \$149,800 | \$87,021 | \$26,877 | \$21,153 | \$20,979 | \$ 779,799 |
| 1998 | 2,987 | 28,523 | 176,133 | 280,774 | 215,161 | 105,341 | 57,302 | 17,573 | 14,438 | 15,039 | 913,271 |
| 1999 | 6,057 | 49,285 | 266,401 | 323,154 | 224,092 | 94,037 | 45,030 | 13,082 | 10,575 | 11,168 | 1,042,881 |
| 2000 | 5,519 | 44,869 | 244,457 | 301,640 | 255,849 | 157,543 | 71,812 | 17,986 | 11,509 | 10,279 | 1,121,463 |
| 2001 | 19,055 | 86,842 | 393,701 | 414,763 | 250,472 | 114,772 | 54,280 | 14,846 | 10,182 | 10,177 | 1,369,090 |
| 2002 | | | | | | | | | | | |
| Qtr 1 | 33,731 | 122,605 | 452,387 | 418,800 | 230,587 | 99,464 | 48,349 | 13,278 | 8,890 | 8,666 | 1,436,757 |
| Qtr 2 | 35,529 | 135,409 | 492,929 | 434,623 | 221,999 | 91,064 | 44,727 | 12,390 | 8,273 | 7,974 | 1,484,917 |
| Qtr 3 | 52,472 | 169,799 | 533,746 | 419,077 | 207,070 | 83,506 | 41,835 | 11,647 | 7,695 | 7,290 | 1,534,137 |
| Qtr 4 | 145,641 | 260,437 | 519,799 | 356,215 | 177,752 | 72,165 | 37,762 | 10,660 | 7,033 | 6,853 | 1,594,317 |
| 2003 | | | | | | | | | | | |
| Qtr 1 | 296,554 | 346,974 | 474,724 | 297,078 | 152,277 | 62,592 | 33,680 | 9,641 | 6,347 | 6,152 | 1,686,019 |
| Qtr 2 | 545,198 | 371,678 | 402,875 | 238,145 | 128,244 | 53,774 | 29,844 | 8,700 | 5,725 | 5,604 | 1,789,787 |
| Qtr 3 | 811,188 | 329,429 | 317,796 | 185,905 | 106,860 | 45,544 | 25,865 | 7,686 | 5,046 | 4,964 | 1,840,283 |

1/ Includes loans underlying mortgages in portfolio or backing net MBS outstanding. Excludes housing revenue bonds and certain other portfolio investments.




**MORTGAGE PORTFOLIO LIQUIDATIONS AND SALES
SEPTEMBER 2003**

(Dollars in millions)

| | Liquidations | | | | | Sales | | Total Liquidations and Sales | |
|-------------|--------------|----------------------------|--------------|---------------------|------------------------|----------|---------------------|------------------------------|---------------------|
| | Foreclosure | Amortization & Prepayments | Total Amount | Estimated Net Yield | % of Avg. Portfolio 1/ | Amount | Estimated Net Yield | Amount | Estimated Net Yield |
| 1997 | \$2,037 | \$ 37,714 | \$ 39,751 | 7.70% | 13.25% | \$ 1,088 | 6.58% | \$ 40,839 | 7.67% |
| 1998 | 1,950 | 86,917 | 88,867 | 7.66% | 25.02% | 1,793 | 6.91% | 90,660 | 7.65% |
| 1999 | 1,959 | 77,791 | 79,750 | 7.39% | 16.93% | 6,148 | 6.98% | 85,898 | 7.36% |
| 2000 | 1,040 | 56,193 | 57,233 | 7.18% | 10.25% | 10,982 | 6.98% | 68,215 | 7.15% |
| 2001 | 1,219 | 163,193 | 164,412 | 7.23% | 24.73% | 8,981 | 6.49% | 173,393 | 7.19% |
| 2002 | | | | | | | | | |
| Qtr 1 | \$487 | \$ 60,485 | \$ 60,972 | 7.01% | 33.75% | \$ 3,131 | 5.88% | \$ 64,103 | 6.96% |
| Qtr 2 | 618 | 45,857 | 46,475 | 6.89% | 25.16% | 3,629 | 6.82% | 50,104 | 6.89% |
| Qtr 3 | 630 | 61,518 | 62,148 | 6.82% | 33.35% | 1,436 | 6.46% | 63,584 | 6.82% |
| Qtr 4 | 743 | 107,081 | 107,824 | 6.71% | 56.48% | 1,386 | 5.48% | 109,210 | 6.70% |
| YTD | \$2,478 | \$274,941 | \$277,419 | 6.83% | 37.35% | \$ 9,582 | 6.27% | \$287,001 | 6.82% |
| 2003 | | | | | | | | | |
| Qtr 1 | \$806 | \$104,802 | \$105,608 | 6.61% | 52.25% | \$ 1,271 | 5.68% | \$106,879 | 6.60% |
| Qtr 2 | 896 | 125,050 | 125,946 | 6.45% | 61.78% | 5,425 | 5.48% | 131,371 | 6.41% |
| Qtr 3 | 1,003 | 146,772 | 147,775 | 6.20% | 68.96% | 1,477 | 2.69% | 149,252 | 6.17% |
| YTD | \$2,705 | \$376,624 | \$379,329 | 6.40% | 60.96% | \$ 8,173 | 5.01% | \$387,502 | 6.37% |

1/ Annualized



FannieMae
DEBT SUMMARY STATISTICS
As of September 30, 2003


(Dollars in millions)

| | Quarter Ended | | | | |
|---|------------------|------------------|------------------|------------------|------------------|
| | 9/30/2003 | 6/30/2003 | 3/31/2003 | 12/31/2002 | 9/30/2002 |
| DEBT OUTSTANDING | | | | | |
| Effective short-term debt, redemption value 1/ | \$274,362 | \$294,432 | \$173,243 | \$192,702 | \$137,234 |
| Cost | 1.22% | 1.28% | 1.36% | 1.52% | 1.86% |
| Effective long-term debt, redemption value 1/ | 693,719 | 579,676 | 693,891 | 651,827 | 657,246 |
| Cost | 5.33% | 5.57% | 5.20% | 5.48% | 5.64% |
| Foreign debt adjustment and other basis adjustments | 9,747 | 12,064 | 8,945 | 8,735 | 8,050 |
| Total Redemption Value 2/ | \$977,828 | \$886,172 | \$876,079 | \$853,264 | \$802,530 |
| Cost | 4.16% | 4.13% | 4.60% | 4.81% | 5.18% |
| OTHER FUNDING ACTIVITIES AND STATISTICS | | | | | |
| Option embedded debt instruments outstanding | \$656,245 | \$618,414 | \$590,819 | \$601,451 | \$514,421 |
| Option embedded debt instruments as a % of net mortgage portfolio outstanding | 71.2% | 75.4% | 71.8% | 75.4% | 67.9% |
| LONG TERM DEBT: | | | | | |
| Debt called during period 3/ | \$ 41,175 | \$ 61,649 | \$ 42,476 | \$ 36,806 | \$ 24,829 |
| Debt repurchased during period | 6,807 | 6,952 | 3,614 | 1,044 | 846 |
| Debt matured during period | 11,370 | 24,503 | 23,165 | 24,814 | 11,273 |
| Total Long Term Debt Redeemed During Period | \$ 59,352 | \$ 93,104 | \$ 69,255 | \$ 62,664 | \$ 36,948 |
| SHORT TERM DEBT: | | | | | |
| Debt called during period 3/ | \$ 100 | \$ 1,250 | \$ 1,300 | \$ 4,350 | \$ 1,125 |
| Debt matured/paydown during period | 500,720 | 585,509 | 557,820 | 372,495 | 428,702 |
| Total Short Term Debt Redeemed During Period | \$500,820 | \$586,759 | \$559,120 | \$376,845 | \$429,827 |
| Total Debt Redeemed During Period | \$560,172 | \$679,863 | \$628,375 | \$439,509 | \$466,775 |
| Swaps retired before maturity during period | \$ 15,595 | \$ 3,524 | \$ 175 | \$ 12,600 | \$ 39,440 |
| Swaps matured during period | 61,753 | 30,244 | 4,525 | 16,870 | 8,500 |
| Total Swaps Redeemed During Period | \$ 77,348 | \$ 33,768 | \$ 4,700 | \$ 29,470 | \$ 47,940 |

1/ Data reflects the classification of debt obligations based on the repricing frequency of their coupon rates and on debt conversion via interest rate swaps.

2/ Average maturity is 56 months at September 30, 2003.

3/ Includes debt that was called as a result of an associated swap being called. This debt was previously classified as non-callable.



FannieMae
Summary of Debt Issued
September 30, 2003


(Dollars in millions)

| | SHORT-TERM DEBT 1/ | | | LONG-TERM DEBT 2/ | | |
|--------------|--------------------|------------------|--------------------|-------------------|---------------|-------------------------|
| | REDEMPTION VALUE | AVG. TERM (DAYS) | ACCOUNTING COST 3/ | REDEMPTION VALUE | TERM (MONTHS) | AVG. ACCOUNTING COST 3/ |
| 1999 | \$1,136,001 | 55 | 5.17% | \$139,020 | 77 | 6.07% |
| 2000 | \$1,143,131 | 63 | 6.27% | \$110,215 | 89 | 6.92% |
| 2001 | \$1,756,690 | 60 | 3.69% | \$249,353 | 55 | 4.83% |
| 2002 | | | | | | |
| Qtr 1 | \$ 461,929 | 51 | 1.76% | \$ 61,936 | 65 | 4.58% |
| Qtr 2 | 338,957 | 70 | 1.80% | 50,067 | 57 | 4.37% |
| Qtr 3 | 411,567 | 50 | 1.70% | 60,479 | 56 | 3.32% |
| Qtr 4 | 423,466 | 64 | 1.43% | 65,985 | 48 | 3.00% |
| TOTAL | \$1,635,919 | 58 | 1.67% | \$238,467 | 56 | 3.78% |
| 2003 | | | | | | |
| January | \$ 155,041 | 62 | 1.22% | \$ 21,790 | 46 | 2.97% |
| February | 193,494 | 54 | 1.24% | 23,004 | 54 | 3.17% |
| March | 225,629 | 36 | 1.19% | 31,915 | 50 | 2.46% |
| Qtr 1 | 574,164 | 49 | 1.22% | 76,709 | 50 | 2.82% |
| April | \$ 193,666 | 35 | 1.13% | \$ 35,089 | 49 | 2.73% |
| May | 190,705 | 37 | 1.14% | 19,223 | 58 | 3.05% |
| June | 223,968 | 41 | 1.00% | 24,078 | 60 | 2.40% |
| Qtr 2 | 608,339 | 38 | 1.09% | 78,390 | 55 | 2.70% |
| July | \$ 197,256 | 45 | 0.91% | \$ 42,925 | 44 | 2.13% |
| August | 159,315 | 57 | 0.97% | 35,728 | 39 | 2.33% |
| September | 180,165 | 47 | 0.98% | 38,649 | 42 | 2.61% |
| Qtr 3 | 536,736 | 50 | 0.95% | 117,302 | 42 | 2.35% |
| YTD | \$1,719,239 | 45 | 1.09% | \$272,401 | 48 | 2.58% |

1/ The impact of interest rate swaps is excluded.

2/ Long-term debt may be fixed or variable rate, and the impact of interest rate swaps is excluded.

3/ Accounting cost represents the monthly equivalent yield that discounts the amount due at maturity to the net proceeds over the expected life of the security. Beginning in the 2nd quarter 2003, the impact of debt swaps has been excluded.


FannieMae
Summary of Debt Redeemed
September 30, 2003


(Dollars in millions)

| | SHORT-TERM DEBT 1/ | | LONG-TERM DEBT 2/ | |
|--------------|---------------------|-----------------------|---------------------|-----------------------|
| | REDEMPTION VALUE | ACCOUNTING COST 3/ | REDEMPTION VALUE | ACCOUNTING COST 3/ |
| 1999 | \$1,125,748 | 5.10% | \$ 61,790 | 6.51% |
| 2000 | \$1,106,956 | 6.15% | \$ 50,335 | 6.33% |
| 2001 | \$1,691,239 | 4.22% | \$196,610 | 6.03% |
| 2002 | | | | |
| Qtr 1 | \$ 478,442 | 1.99% | \$ 38,911 | 5.40% |
| Qtr 2 | 335,530 | 1.92% | 37,286 | 5.50% |
| Qtr 3 | 429,827 | 1.78% | 36,948 | 5.10% |
| Qtr 4 | 376,845 | 1.63% | 62,664 | 3.98% |
| Total | \$1,620,644 | 1.84% | \$175,809 | 4.85% |
| 2003 | | | | |
| January | \$ 145,962 | 1.38% | \$ 20,819 | 3.95% |
| February | 179,189 | 1.33% | 28,564 | 3.59% |
| March | 233,969 | 1.27% | 19,872 | 4.14% |
| Qtr 1 | 559,120 | 1.32% | 69,255 | 3.86% |
| April | \$ 204,147 | 1.22% | \$ 27,766 | 4.30% |
| May | 177,570 | 1.21% | 30,141 | 3.70% |
| June | 205,042 | 1.16% | 35,197 | 3.48% |
| Qtr 2 | 586,759 | 1.20% | 93,104 | 3.80% |
| July | \$ 201,435 | 0.97% | \$ 20,681 | 3.23% |
| August | 153,692 | 1.02% | 20,853 | 3.59% |
| September | 145,693 | 0.93% | 17,818 | 3.87% |
| Qtr 3 | 500,820 | 0.98% | 59,352 | 3.55% |
| YTD | \$1,646,699 | 1.17% | \$221,711 | 3.75% |

1/ The impact of interest rate swaps is excluded.

2/ Long-term debt may be fixed or variable, and excludes the impact of interest rate swaps.

3/ Accounting cost represents the monthly equivalent yield that discounts the amount due at maturity to the net proceeds over the expected life of the security. Beginning in the 2nd quarter 2003, the impact of debt swaps has been excluded.


FannieMae
Effective Long Term Debt Maturing
As of September 30, 2003

(Dollars in millions)

| | | Total Debt by Quarter of Contractual Maturity | | Assuming Callable Debt Redeemed at Initial Call Date | |
|--|-------|--|-----------------------|---|-----------------------|
| | | Amount Outstanding 1/ | Accounting Cost 2/ | Amount Outstanding 1/ | Accounting Cost 2/ |
| Currently Callable | | — | | \$ 8,570 | 4.60% |
| 2003 | Qtr 4 | 17,841 | 5.19% | 83,843 | 4.44% |
| | Total | \$ 17,841 | 5.19% | \$ 83,843 | 4.44% |
| 2004 | Qtr 1 | \$ 18,461 | 5.91% | \$ 71,968 | 4.94% |
| | Qtr 2 | 27,539 | 4.60% | 74,528 | 4.71% |
| | Qtr 3 | 19,320 | 6.27% | 57,169 | 5.22% |
| | Qtr 4 | 13,911 | 3.88% | 20,514 | 4.95% |
| | Total | \$ 79,231 | 5.00% | \$ 224,179 | 4.93% |
| 2005 | Qtr 1 | \$ 21,805 | 3.74% | \$ 34,000 | 4.83% |
| | Qtr 2 | 15,356 | 3.44% | 19,823 | 4.28% |
| | Qtr 3 | 16,946 | 4.93% | 22,583 | 5.89% |
| | Qtr 4 | 23,263 | 4.17% | 15,406 | 5.28% |
| | Total | \$ 77,370 | 4.07% | \$ 91,812 | 5.05% |
| 2006 | | 79,138 | 3.99% | 74,689 | 5.18% |
| 2007 | | 49,184 | 5.68% | 40,750 | 6.65% |
| 2008 and beyond | | 390,955 | 5.47% | 169,876 | 5.29% |
| Effective L/T Debt before Pay-Fixed Swaption Effect | | \$ 693,719 | 5.10% | \$ 693,719 | 5.10% |
| Pay-Fixed Swaption Effect | | — | 0.23% | — | 0.23% |
| Total Effective L/T Debt | | \$ 693,719 | 5.33% | \$ 693,719 | 5.33% |

1/ Amount outstanding includes long-term debt, effective fixed-rate debt and notional amount of long-term interest rate swaps. Also includes debt linked to swaptions which makes it effectively callable debt. Effective variable-rate debt is excluded from the data.

2/ Accounting cost represents the monthly equivalent yield that discounts the amount due at maturity to the net proceeds over the expected life of the security. The impact of debt swaps is included.



FannieMae
Callable Debt, Callable Swaps, Receive-Fixed Swaptions
and Other Option Embedded Instruments
As of September 30, 2003

(Dollars in millions)

| Call Date | Year of Maturity | Amount Outstanding | Average Cost |
|--|------------------|-----------------------|--------------|
| Callable debt, callable swaps and receive-fixed swaptions 1/: | | | |
| Currently callable | 2004-2028 | \$ 8,570 | 4.60% |
| 2003 | 2003-2028 | 65,969 | 4.23% |
| 2004 | 2004-2033 | 155,525 | 4.71% |
| 2005 | 2005-2033 | 43,523 | 5.29% |
| 2006 | 2008-2031 | 33,690 | 5.68% |
| 2007 | 2011-2032 | 20,458 | 5.97% |
| 2008 | 2013-2033 | 9,510 | 5.38% |
| 2009 and later | 2012-2030 | 12,970 | 6.81% |
| Total | | 350,215 | 4.95% |
| Pay-fixed swaptions | | 167,930 | |
| Caps | | 138,100 | |
| Total option-embedded financial instruments | | <u>\$656,245</u> | |

1/ Excludes \$51,181 million of callable debt which was swapped to variable rate debt and which is classified as effectively non-callable debt.



Fannie Mae
Mortgage-Backed Securities Issued
September 2003

(Dollars in millions)

Lender-originated MBS

| | Single - Family | | | | | MBS Purchased by Fannie Mae's Portfolio | MBS Issues Acquired by Other Investors | Fannie Mae Originated | REMICs Issued |
|--------------|-------------------------------|----------------------|----------------------|-----------------|------------------|---|--|--------------------------|------------------|
| | Long- Term 1/ ¹ | Inter- mediate /2 | Conventional ARMS | Multifamily | Total | | | | |
| 1997 | \$ 90,903 | \$ 29,602 | \$20,834 | \$ 5,814 | \$147,153 | \$ 39,033 | \$108,120 | \$ 2,276 | \$ 74,812 |
| 1998 | 235,700 | 65,125 | 14,008 | 10,618 | 325,451 | 104,728 | 220,723 | 696 | 76,332 |
| 1999 | 223,753 | 56,296 | 11,803 | 8,496 | 300,348 | 125,498 | 174,850 | 341 | 50,613 |
| 2000 | 155,859 | 21,127 | 25,729 | 7,596 | 210,311 | 104,904 | 105,407 | 1,351 | 33,594 |
| 2001 | 393,576 | 93,503 | 24,442 | 13,801 | 525,322 | 180,583 | 344,738 | 3,101 | 123,506 |
| 2002 | | | | | | | | | |
| Qtr 1 | \$114,588 | \$ 45,092 | \$11,439 | \$ 2,797 | \$173,916 | \$ 67,112 | \$106,804 | \$ 2,064 | \$ 36,819 |
| Qtr 2 | 91,442 | 25,852 | 12,605 | 2,143 | 132,042 | 29,133 | 102,909 | 2,964 | 21,624 |
| Qtr 3 | 107,126 | 32,527 | 15,237 | 1,971 | 156,861 | 44,269 | 112,592 | 3,759 | 35,511 |
| Qtr 4 | 165,681 | 64,677 | 24,695 | 5,427 | 260,480 | 104,525 | 155,955 | 7,509 | 50,012 |
| Total | \$478,837 | \$168,148 | \$63,976 | \$12,338 | \$723,299 | \$245,039 | \$478,260 | \$16,296 | \$143,966 |
| 2003 | | | | | | | | | |
| January | \$ 66,876 | \$ 29,635 | \$ 8,745 | \$ 1,390 | \$106,646 | \$ 42,858 | \$ 63,788 | \$ 2,268 | \$ 22,113 |
| February | 59,693 | 24,746 | 8,280 | 466 | 93,185 | 27,530 | 65,655 | 2,319 | 25,631 |
| March | 58,401 | 24,211 | 9,411 | 719 | 92,742 | 18,252 | 74,490 | 1,439 | 25,652 |
| Qtr 1 | \$184,970 | \$ 78,593 | \$26,436 | \$ 2,574 | \$292,573 | \$ 88,640 | \$203,933 | \$ 6,026 | \$ 73,396 |
| April | \$ 76,311 | \$ 32,986 | \$11,679 | \$ 666 | \$121,643 | \$ 25,648 | \$ 95,993 | \$ 829 | \$ 33,890 |
| May | 67,735 | 29,925 | 9,788 | 988 | 108,436 | 23,180 | 85,257 | 391 | 20,915 |
| June | 74,117 | 33,000 | 14,341 | 1,449 | 122,906 | 21,655 | 101,251 | 1,583 | 16,783 |
| Qtr 2 | 218,162 | 95,911 | 35,807 | 3,104 | 352,985 | 70,483 | 282,502 | 2,802 | 71,588 |
| July | \$ 75,253 | \$ 33,187 | \$10,106 | \$ 1,420 | \$119,966 | \$ 48,268 | \$ 71,698 | \$ 2,047 | \$ 24,466 |
| August | 72,367 | 27,607 | 8,891 | 796 | 109,661 | 54,294 | 55,367 | 2,212 | 25,223 |
| September | 74,693 | 28,191 | 13,222 | 4,192 | 120,297 | 73,504 | 46,793 | 2,551 | 10,105 |
| Qtr 3 | 222,312 | 88,985 | 32,218 | 6,408 | 349,924 | 176,066 | 173,858 | 6,810 | 59,794 |
| YTD | \$625,410 | \$263,489 | \$94,461 | \$12,086 | \$995,483 | \$335,190 | \$660,293 | \$15,638 | \$204,778 |

1/ Long-term Mortgage-Backed Securities have contractual maturities greater than 15 years.

2/ Intermediate-term Mortgage-Backed Securities have contractual maturities equal to or less than 15 years.



FannieMae
Mortgage-Backed Securities Outstanding
September 2003

(Dollars in millions)

| MBS | | | | | | | | |
|-------------------|----------------------|----------------------|-------------|----------|------------|--|-----------------------|-----------|
| Single-family | | | | | Total | MBS in Fannie Mae's Portfolio 3/ | Outstanding MBS 3/ | REMICs |
| Long - Term 1/ | Inter- mediate 2/ | Conventional ARMS | Multifamily | | | | | |
| 1997 | \$ 448,824 | \$168,132 | \$ 71,025 | \$21,601 | \$ 709,582 | \$130,444 | \$ 579,138 | \$328,596 |
| 1998 | 557,983 | 187,221 | 59,001 | 30,313 | 834,518 | 197,375 | 637,143 | 311,426 |
| 1999 | 670,555 | 200,488 | 53,898 | 35,942 | 960,883 | 281,714 | 679,169 | 293,563 |
| 2000 | 758,869 | 189,362 | 68,167 | 41,352 | 1,057,750 | 351,066 | 706,684 | 291,798 |
| 2001 | 938,139 | 232,092 | 67,894 | 52,226 | 1,290,351 | 431,484 | 858,867 | 346,143 |
| 2002 | | | | | | | | |
| Qtr 1 | 974,360 | 254,908 | 72,106 | 54,030 | 1,355,404 | 459,094 | 896,310 | 352,159 |
| Qtr 2 | 1,000,662 | 271,030 | 77,750 | 55,152 | 1,404,594 | 459,097 | 945,497 | 347,566 |
| Qtr 3 | 1,031,062 | 285,339 | 86,528 | 56,016 | 1,458,945 | 468,552 | 990,393 | 346,538 |
| Qtr 4 | 1,054,165 | 321,290 | 103,155 | 59,677 | 1,538,287 | 508,831 | 1,029,456 | 346,703 |
| 2003 | | | | | | | | |
| Qtr 1 | 1,087,299 | 371,642 | 117,554 | 60,979 | 1,637,474 | 529,954 | 1,107,520 | 369,032 |
| Qtr 2 | 1,128,843 | 418,913 | 139,506 | 62,633 | 1,749,896 | 512,435 | 1,237,461 | 382,441 |
| Qtr 3 | 1,136,259 | 444,794 | 152,801 | 67,675 | 1,801,528 | 590,449 | 1,211,079 | 371,763 |

1/ Long-term Mortgage-Backed Securities have contractual maturities greater than 15 years.

2/ Intermediate-term Mortgage-Backed Securities have contractual maturities equal to or less than 15 years.

3/ Based on unpaid principal balances effective March 31, 2002.

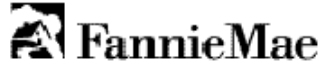
**FannieMae****SINGLE-FAMILY REO ACQUISITIONS AND PREFORECLOSURE SALES****September 2003**

| Property State | 3Q 2003 | 2Q 2003 | 1Q 2003 | 4Q 2002 | 3Q 2002 | 2Q 2002 | 1Q 2002 | 4Q 2001 | 3Q 2001 | 2Q 2001 | 1Q 2001 | 4Q 2000 | 3Q 2000 |
|------------------------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|
| Texas | 543 | 467 | 425 | 364 | 312 | 322 | 264 | 234 | 173 | 190 | 262 | 203 | 195 |
| Michigan | 539 | 531 | 507 | 419 | 352 | 292 | 240 | 171 | 159 | 155 | 112 | 86 | 80 |
| Georgia | 518 | 462 | 344 | 310 | 218 | 244 | 184 | 161 | 130 | 126 | 141 | 103 | 90 |
| North Carolina | 442 | 454 | 308 | 233 | 216 | 188 | 151 | 126 | 72 | 107 | 78 | 65 | 59 |
| Ohio | 428 | 415 | 366 | 301 | 277 | 234 | 186 | 201 | 184 | 187 | 146 | 142 | 97 |
| Indiana | 378 | 282 | 238 | 244 | 219 | 165 | 184 | 134 | 92 | 101 | 94 | 108 | 88 |
| Colorado | 276 | 192 | 155 | 142 | 126 | 87 | 70 | 43 | 39 | 59 | 44 | 34 | 36 |
| Florida | 253 | 289 | 270 | 279 | 322 | 297 | 291 | 308 | 326 | 366 | 368 | 333 | 354 |
| Pennsylvania | 247 | 215 | 218 | 237 | 240 | 242 | 197 | 211 | 238 | 196 | 174 | 233 | 230 |
| South Carolina | 217 | 177 | 149 | 144 | 127 | 109 | 101 | 87 | 52 | 58 | 51 | 52 | 40 |
| Illinois | 215 | 192 | 202 | 250 | 213 | 173 | 197 | 166 | 149 | 127 | 157 | 149 | 138 |
| Tennessee | 200 | 219 | 225 | 174 | 158 | 125 | 117 | 76 | 69 | 63 | 80 | 43 | 47 |
| Missouri | 191 | 195 | 191 | 137 | 130 | 134 | 109 | 104 | 68 | 69 | 65 | 68 | 55 |
| Washington | 184 | 195 | 208 | 202 | 197 | 199 | 154 | 168 | 132 | 122 | 130 | 133 | 118 |
| Utah | 173 | 220 | 183 | 178 | 162 | 145 | 137 | 125 | 74 | 64 | 81 | 71 | 52 |
| Arizona | 167 | 151 | 130 | 125 | 129 | 107 | 104 | 84 | 65 | 67 | 67 | 88 | 67 |
| Alabama | 154 | 185 | 164 | 126 | 110 | 119 | 107 | 95 | 75 | 68 | 45 | 62 | 37 |
| New York | 130 | 123 | 108 | 151 | 130 | 115 | 134 | 146 | 103 | 150 | 164 | 177 | 165 |
| Kentucky | 118 | 101 | 95 | 58 | 33 | 45 | 33 | 28 | 43 | 20 | 15 | 18 | 15 |
| Lousiana | 112 | 126 | 100 | 87 | 79 | 80 | 77 | 57 | 45 | 47 | 45 | 42 | 47 |
| Other sates | 1,397 | 1,378 | 1,332 | 1,254 | 1,310 | 1,266 | 1,300 | 1,167 | 1,147 | 1,224 | 1,274 | 1,188 | 1,341 |
| Total REOs acquired: | 6,882 | 6,569 | 5,918 | 5,415 | 5,060 | 4,688 | 4,337 | 3,892 | 3,435 | 3,566 | 3,593 | 3,398 | 3,351 |
| Preforeclosure sales: | 439 | 444 | 356 | 373 | 370 | 386 | 281 | 259 | 354 | 304 | 265 | 318 | 340 |



FannieMae
SINGLE-FAMILY REO INVENTORY
September 2003

| Property State | 3Q 2003 | 2Q 2003 | 1Q 2003 | 4Q 2002 | 3Q 2002 | 2Q 2002 | 1Q 2002 | 4Q 2001 | 3Q 2001 | 2Q 2001 | 1Q 2001 | 4Q 2000 | 3Q 2000 |
|----------------------------|---------------|---------------|---------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|
| Michigan | 1,676 | 1,564 | 1,351 | 1,084 | 878 | 701 | 598 | 501 | 427 | 366 | 313 | 281 | 249 |
| Ohio | 981 | 917 | 826 | 666 | 560 | 465 | 409 | 423 | 386 | 354 | 298 | 243 | 194 |
| North Carolina | 802 | 766 | 595 | 477 | 430 | 341 | 264 | 210 | 171 | 179 | 156 | 135 | 124 |
| Texas | 759 | 687 | 663 | 616 | 561 | 509 | 442 | 385 | 322 | 360 | 398 | 347 | 329 |
| Georgia | 758 | 714 | 554 | 477 | 374 | 364 | 314 | 269 | 233 | 233 | 207 | 170 | 143 |
| Indiana | 513 | 426 | 379 | 338 | 322 | 254 | 252 | 182 | 141 | 141 | 138 | 150 | 127 |
| Colorado | 456 | 341 | 311 | 252 | 203 | 142 | 107 | 77 | 97 | 104 | 86 | 70 | 70 |
| Pennsylvania | 406 | 392 | 432 | 440 | 438 | 398 | 374 | 380 | 383 | 344 | 369 | 437 | 436 |
| South Carolina | 373 | 346 | 301 | 278 | 246 | 212 | 173 | 138 | 104 | 103 | 101 | 88 | 72 |
| Florida | 360 | 398 | 398 | 410 | 413 | 377 | 408 | 415 | 442 | 446 | 441 | 424 | 449 |
| Washington | 330 | 323 | 326 | 317 | 295 | 264 | 245 | 240 | 199 | 197 | 219 | 215 | 191 |
| Tennessee | 325 | 326 | 355 | 293 | 271 | 220 | 184 | 145 | 137 | 126 | 112 | 87 | 86 |
| Illinois | 311 | 320 | 363 | 379 | 310 | 255 | 261 | 254 | 237 | 223 | 260 | 251 | 247 |
| Alabama | 301 | 309 | 278 | 219 | 210 | 217 | 205 | 178 | 135 | 114 | 105 | 95 | 59 |
| Missouri | 296 | 292 | 280 | 247 | 247 | 207 | 201 | 157 | 113 | 106 | 110 | 127 | 117 |
| Kentucky | 278 | 237 | 173 | 102 | 70 | 78 | 61 | 57 | 55 | 33 | 26 | 35 | 28 |
| Minnesota | 266 | 250 | 197 | 163 | 144 | 135 | 131 | 113 | 123 | 121 | 93 | 91 | 93 |
| Maryland | 249 | 301 | 332 | 335 | 367 | 341 | 328 | 311 | 285 | 291 | 283 | 304 | 358 |
| New York | 233 | 230 | 221 | 244 | 236 | 228 | 264 | 290 | 280 | 315 | 360 | 374 | 415 |
| Utah | 228 | 287 | 279 | 267 | 219 | 198 | 199 | 171 | 112 | 115 | 127 | 105 | 87 |
| Other states | 2,465 | 2,418 | 2,429 | 2,371 | 2,335 | 2,133 | 2,214 | 2,177 | 2,133 | 2,187 | 2,315 | 2,385 | 2,704 |
| Total REO inventory | 12,366 | 11,844 | 11,043 | 9,975 | 9,129 | 8,039 | 7,634 | 7,073 | 6,515 | 6,458 | 6,517 | 6,414 | 6,578 |



**Portfolio and Mortgage-Backed Securities Outstanding by State
As of September 30, 2003**

(Dollars in millions)


| | Portfolio | | Mortgage-Backed Securities | | Total 4/ | |
|-------------------|--------------------|------------------|----------------------------|--------------------|-------------------|--------------------|
| | Number of Units 1/ | Amount 2/ | Number of Units 1/ | Amount 2/ | Number of Units | Amount |
| Alabama | 33,807 | \$ 2,055 | 194,189 | \$ 17,244 | 227,996 | \$ 19,299 |
| Alaska | 18,147 | 1,417 | 16,468 | 1,961 | 34,615 | 3,378 |
| Arizona | 52,639 | 3,597 | 434,074 | 44,435 | 486,713 | 48,032 |
| Arkansas | 30,004 | 2,106 | 93,973 | 7,779 | 123,977 | 9,885 |
| California | 359,879 | 29,636 | 2,788,989 | 368,766 | 3,148,868 | 398,402 |
| Colorado | 49,504 | 3,774 | 429,114 | 55,377 | 478,618 | 59,151 |
| Connecticut | 42,622 | 3,589 | 197,608 | 23,930 | 240,230 | 27,519 |
| Delaware | 10,236 | 804 | 51,432 | 5,654 | 61,668 | 6,458 |
| Dist. of Columbia | 23,396 | 914 | 45,985 | 4,182 | 69,381 | 5,096 |
| Florida | 182,289 | 12,571 | 1,158,496 | 109,895 | 1,340,785 | 122,466 |
| Georgia | 85,178 | 6,211 | 534,592 | 56,493 | 619,770 | 62,704 |
| Guam | 475 | 47 | 999 | 85 | 1,474 | 132 |
| Hawaii | 21,093 | 2,775 | 78,829 | 13,459 | 99,922 | 16,234 |
| Idaho | 10,968 | 727 | 77,887 | 7,528 | 88,855 | 8,255 |
| Illinois | 158,179 | 12,611 | 659,719 | 75,413 | 817,898 | 88,024 |
| Indiana | 65,689 | 4,237 | 315,050 | 25,841 | 380,739 | 30,078 |
| Iowa | 47,387 | 3,223 | 95,173 | 7,855 | 142,560 | 11,078 |
| Kansas | 24,131 | 1,624 | 112,023 | 10,112 | 136,154 | 11,736 |
| Kentucky | 21,682 | 1,302 | 140,245 | 12,261 | 161,927 | 13,563 |
| Louisiana | 58,157 | 3,900 | 206,272 | 16,552 | 264,429 | 20,452 |
| Maine | 17,894 | 1,247 | 53,101 | 5,102 | 70,995 | 6,349 |
| Maryland | 81,003 | 5,273 | 415,724 | 46,498 | 496,727 | 51,771 |
| Massachusetts | 97,700 | 7,327 | 457,098 | 59,498 | 554,798 | 66,825 |
| Michigan | 118,696 | 8,216 | 655,484 | 66,183 | 774,180 | 74,399 |
| Minnesota | 64,043 | 4,952 | 298,082 | 33,279 | 362,125 | 38,231 |
| Mississippi | 26,964 | 1,872 | 95,260 | 7,516 | 122,224 | 9,388 |
| Missouri | 67,010 | 4,128 | 300,210 | 27,461 | 367,220 | 31,589 |
| Montana | 12,108 | 977 | 41,365 | 4,043 | 53,473 | 5,020 |
| Nebraska | 28,245 | 2,068 | 69,700 | 5,578 | 97,945 | 7,646 |
| Nevada | 32,046 | 1,969 | 203,021 | 22,014 | 235,067 | 23,983 |
| New Hampshire | 20,373 | 1,560 | 88,998 | 10,112 | 109,371 | 11,672 |
| New Jersey | 93,681 | 9,356 | 506,246 | 62,448 | 599,927 | 71,804 |
| New Mexico | 24,543 | 1,801 | 89,694 | 8,540 | 114,237 | 10,341 |
| New York | 238,063 | 15,496 | 870,330 | 85,090 | 1,108,393 | 100,586 |
| North Carolina | 60,680 | 4,669 | 427,467 | 43,608 | 488,147 | 48,277 |
| North Dakota | 6,476 | 346 | 18,095 | 1,298 | 24,571 | 1,644 |
| Ohio | 159,203 | 10,935 | 583,856 | 49,907 | 743,059 | 60,842 |
| Oklahoma | 43,124 | 2,727 | 141,962 | 10,377 | 185,086 | 13,104 |
| Oregon | 39,181 | 3,141 | 266,364 | 29,412 | 305,545 | 32,553 |
| Pennsylvania | 114,625 | 8,277 | 523,806 | 47,605 | 638,431 | 55,882 |
| Puerto Rico | 24,263 | 1,942 | 67,725 | 5,461 | 91,988 | 7,403 |
| Rhode Island | 16,313 | 1,205 | 71,647 | 7,388 | 87,960 | 8,593 |
| South Carolina | 31,668 | 2,471 | 191,138 | 18,162 | 222,806 | 20,633 |
| South Dakota | 13,329 | 891 | 23,148 | 1,895 | 36,477 | 2,786 |
| Tennessee | 42,003 | 2,721 | 272,376 | 25,452 | 314,379 | 28,173 |
| Texas | 245,448 | 15,026 | 1,027,827 | 83,282 | 1,273,275 | 98,308 |
| Utah | 27,687 | 1,947 | 159,416 | 17,950 | 187,103 | 19,897 |
| Vermont | 10,458 | 668 | 27,520 | 2,760 | 37,978 | 3,428 |
| Virgin Islands | 1,158 | 86 | 1,478 | 123 | 2,636 | 209 |
| Virginia | 95,755 | 7,210 | 431,994 | 53,612 | 527,749 | 60,822 |
| Washington | 73,359 | 6,467 | 501,478 | 60,658 | 574,837 | 67,125 |
| West Virginia | 14,478 | 910 | 34,037 | 2,857 | 48,515 | 3,767 |
| Wisconsin | 127,440 | 10,592 | 212,703 | 21,698 | 340,143 | 32,290 |
| Wyoming | 9,351 | 693 | 20,256 | 1,898 | 29,607 | 2,591 |
| Total 3/ | 3,373,830 | \$246,286 | 16,779,723 | \$1,793,587 | 20,153,553 | \$2,039,873 |

1/ Represents individual units financed by conventional and government single-family and multifamily mortgages.

2/ Amount represents gross unpaid principal balances.

3/ Fannie Mae MBS in portfolio totaling \$590,449 million are included in MBS, but excluded from portfolio statistics.


4/ Excludes \$88.4 billion of non-Fannie Mae securities for which information is not readily available.



FannieMae
 Conventional Single-Family
 Serious Delinquencies
 September 2003

| | Credit Enhanced | | | Non-Credit Enhanced | | | Total | | |
|------------------|------------------------------------|--------------------------|-----------------|------------------------------------|--------------------------|-----------------|------------------------------------|--------------------------|-----------------|
| | Total # of Loans Outstanding | Serious Delinquencies 1/ | | Total # of Loans Outstanding | Serious Delinquencies 1/ | | Total # of Loans Outstanding | Serious Delinquencies 1/ | |
| | | Total # of Loans | % Delinquent | | Total # of Loans | % Delinquent | | Total # of Loans | % Delinquent |
| Northeast | | | | | | | | | |
| 3rd Qtr 2002 | 616,765 | 7,806 | 1.27% | 1,922,408 | 6,618 | 0.34% | 2,539,173 | 14,424 | 0.57% |
| 4th Qtr 2002 | 585,261 | 8,403 | 1.44% | 1,957,555 | 7,023 | 0.36% | 2,542,816 | 15,426 | 0.61% |
| 1st Qtr 2003 | 560,717 | 8,695 | 1.55% | 2,028,468 | 7,182 | 0.35% | 2,589,185 | 15,877 | 0.61% |
| 2nd Qtr 2003 | 527,747 | 8,614 | 1.63% | 2,099,048 | 7,003 | 0.33% | 2,626,795 | 15,617 | 0.59% |
| 3rd Qtr 2003 | 493,477 | 8,860 | 1.80% | 2,146,255 | 7,269 | 0.34% | 2,639,732 | 16,129 | 0.61% |
| Southeast | | | | | | | | | |
| 3rd Qtr 2002 | 1,045,852 | 12,056 | 1.15% | 2,097,101 | 6,350 | 0.30% | 3,142,953 | 18,406 | 0.59% |
| 4th Qtr 2002 | 1,025,978 | 13,759 | 1.34% | 2,206,143 | 7,269 | 0.33% | 3,232,121 | 21,028 | 0.65% |
| 1st Qtr 2003 | 1,035,250 | 13,814 | 1.33% | 2,318,335 | 7,394 | 0.32% | 3,353,585 | 21,208 | 0.63% |
| 2nd Qtr 2003 | 1,015,977 | 14,316 | 1.41% | 2,478,564 | 7,485 | 0.30% | 3,494,541 | 21,801 | 0.62% |
| 3rd Qtr 2003 | 992,095 | 15,368 | 1.55% | 2,606,248 | 7,973 | 0.31% | 3,598,343 | 23,341 | 0.65% |
| Midwest | | | | | | | | | |
| 3rd Qtr 2002 | 807,763 | 10,789 | 1.34% | 2,065,326 | 6,660 | 0.32% | 2,873,089 | 17,449 | 0.61% |
| 4th Qtr 2002 | 753,756 | 11,936 | 1.58% | 2,095,623 | 7,614 | 0.36% | 2,849,379 | 19,550 | 0.69% |
| 1st Qtr 2003 | 726,495 | 12,065 | 1.66% | 2,182,183 | 7,834 | 0.36% | 2,908,678 | 19,899 | 0.68% |
| 2nd Qtr 2003 | 685,332 | 12,593 | 1.84% | 2,250,348 | 8,268 | 0.37% | 2,935,680 | 20,861 | 0.71% |
| 3rd Qtr 2003 | 659,238 | 13,620 | 2.07% | 2,311,163 | 8,912 | 0.39% | 2,970,401 | 22,532 | 0.76% |
| Southwest | | | | | | | | | |
| 3rd Qtr 2002 | 781,551 | 8,036 | 1.03% | 1,544,203 | 4,152 | 0.27% | 2,325,754 | 12,188 | 0.52% |
| 4th Qtr 2002 | 762,556 | 8,976 | 1.18% | 1,621,736 | 4,726 | 0.29% | 2,384,292 | 13,702 | 0.57% |
| 1st Qtr 2003 | 757,485 | 9,139 | 1.21% | 1,711,293 | 5,008 | 0.29% | 2,468,778 | 14,147 | 0.57% |
| 2nd Qtr 2003 | 742,479 | 9,639 | 1.30% | 1,814,996 | 5,198 | 0.29% | 2,557,475 | 14,837 | 0.58% |
| 3rd Qtr 2003 | 726,185 | 10,412 | 1.43% | 1,905,760 | 5,451 | 0.29% | 2,631,945 | 15,863 | 0.60% |
| West | | | | | | | | | |
| 3rd Qtr 2002 | 666,922 | 5,380 | 0.81% | 2,232,540 | 4,567 | 0.20% | 2,899,462 | 9,947 | 0.34% |
| 4th Qtr 2002 | 632,037 | 5,544 | 0.88% | 2,335,071 | 4,928 | 0.21% | 2,967,108 | 10,472 | 0.35% |
| 1st Qtr 2003 | 616,243 | 5,650 | 0.92% | 2,461,966 | 4,738 | 0.19% | 3,078,209 | 10,388 | 0.34% |
| 2nd Qtr 2003 | 598,039 | 5,511 | 0.92% | 2,618,767 | 4,568 | 0.17% | 3,216,806 | 10,079 | 0.31% |
| 3rd Qtr 2003 | 557,868 | 5,393 | 0.97% | 2,740,929 | 4,752 | 0.17% | 3,298,797 | 10,145 | 0.31% |
| Total | | | | | | | | | |
| 3rd Qtr 2002 | 3,918,853 | 44,067 | 1.12% | 9,861,578 | 28,347 | 0.29% | 13,780,431 | 72,414 | 0.53% |
| 4th Qtr 2002 | 3,759,588 | 48,618 | 1.29% | 10,216,128 | 31,560 | 0.31% | 13,975,716 | 80,178 | 0.57% |
| 1st Qtr 2003 | 3,696,190 | 49,363 | 1.34% | 10,702,245 | 32,156 | 0.30% | 14,398,435 | 81,519 | 0.57% |
| 2nd Qtr 2003 | 3,569,574 | 50,673 | 1.42% | 11,261,723 | 32,522 | 0.29% | 14,831,297 | 83,195 | 0.56% |
| 3rd Qtr 2003 | 3,428,863 | 53,653 | 1.56% | 11,710,355 | 34,357 | 0.29% | 15,139,218 | 88,010 | 0.58% |

1/ Includes conventional loans three or more months delinquent or in foreclosure process as a percent of the number of loans.



FannieMae
Multifamily Total Serious Delinquencies and REO Inventory
September 2003

(Dollars in millions)

| | Loans Serviced | | Serious Delinquencies 1/ | | | REO Inventory | |
|------------------|----------------|-----------|--------------------------|-------|--------------|---------------|------|
| | # of Loans | UPB | # of Loans | UPB | % Delinquent | # of Loans | UPB |
| Northeast | | | | | | | |
| 3rd Qtr 2002 | 3,627 | 14,966.9 | 2 | 2.2 | 0.01% | — | — |
| 4th Qtr 2002 | 4,127 | 16,547.0 | 2 | 3.6 | 0.02% | — | — |
| 1st Qtr 2003 | 4,324 | 17,568.6 | 2 | 3.2 | 0.02% | — | — |
| 2nd Qtr 2003 | 4,446 | 18,406.5 | 2 | 3.2 | 0.02% | — | — |
| 3rd Qtr 2003 | 4,826 | 20,075.0 | 1 | 2.0 | 0.01% | — | — |
| Southeast | | | | | | | |
| 3rd Qtr 2002 | 3,108 | 19,256.2 | 7 | 6.4 | 0.03% | 1 | 4.0 |
| 4th Qtr 2002 | 3,196 | 20,280.7 | 3 | 11.9 | 0.06% | 1 | 4.0 |
| 1st Qtr 2003 | 3,272 | 20,915.2 | 4 | 3.2 | 0.02% | 2 | 12.7 |
| 2nd Qtr 2003 | 3,351 | 21,699.5 | 5 | 7.9 | 0.04% | 2 | 12.8 |
| 3rd Qtr 2003 | 3,511 | 22,834.3 | 6 | 11.7 | 0.05% | 2 | 12.7 |
| Midwest | | | | | | | |
| 3rd Qtr 2002 | 2,680 | 8,825.8 | 6 | 46.2 | 0.52% | 1 | 2.9 |
| 4th Qtr 2002 | 2,796 | 9,090.9 | 10 | 7.6 | 0.08% | 1 | 2.9 |
| 1st Qtr 2003 | 2,787 | 9,345.9 | 10 | 41.5 | 0.44% | 1 | 2.9 |
| 2nd Qtr 2003 | 2,921 | 9,582.1 | 7 | 13.9 | 0.14% | — | — |
| 3rd Qtr 2003 | 3,047 | 10,029.8 | 12 | 14.6 | 0.15% | — | — |
| Southwest | | | | | | | |
| 3rd Qtr 2002 | 2,816 | 12,460.7 | 6 | 6.6 | 0.05% | — | — |
| 4th Qtr 2002 | 3,171 | 13,194.7 | 4 | 15.7 | 0.12% | — | — |
| 1st Qtr 2003 | 3,173 | 13,228.8 | 7 | 26.4 | 0.20% | — | — |
| 2nd Qtr 2003 | 3,308 | 13,559.2 | 11 | 61.7 | 0.45% | 3 | 7.7 |
| 3rd Qtr 2003 | 3,410 | 14,127.2 | 13 | 69.6 | 0.49% | 3 | 7.7 |
| West | | | | | | | |
| 3rd Qtr 2002 | 13,389 | 28,655.4 | 16 | 9.0 | 0.03% | 1 | 2.3 |
| 4th Qtr 2002 | 16,018 | 31,328.8 | 11 | 6.9 | 0.02% | 1 | 2.3 |
| 1st Qtr 2003 | 15,686 | 31,870.1 | 4 | 8.3 | 0.03% | 1 | 2.3 |
| 2nd Qtr 2003 | 16,655 | 33,282.6 | 10 | 38.2 | 0.11% | — | — |
| 3rd Qtr 2003 | 19,426 | 38,018.5 | 15 | 27.5 | 0.07% | — | — |
| Total | | | | | | | |
| 3rd Qtr 2002 | 25,620 | 84,165.0 | 37 | 70.4 | 0.08% | 3 | 9.2 |
| 4th Qtr 2002 | 29,308 | 90,442.1 | 30 | 45.7 | 0.05% | 3 | 9.2 |
| 1st Qtr 2003 | 29,242 | 92,928.6 | 27 | 82.6 | 0.09% | 4 | 17.9 |
| 2nd Qtr 2003 | 30,681 | 96,529.8 | 35 | 124.8 | 0.13% | 5 | 20.5 |
| 3rd Qtr 2003 | 34,220 | 105,084.7 | 47 | 125.4 | 0.12% | 5 | 20.4 |

1/ Includes loans which are two or more months delinquent based on the dollar amount of such loans in the portfolio and underlying MBS.