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 6, 2014

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

Federally chartered corporation	000-50231	52-0883107
(State or other jurisdiction of incorporation)	(Commission File Number)	(IRS Employer Identification Number)

3900 Wisconsin Avenue, NW Washington, DC	20016
(Address of principal executive offices)	(Zip Code)

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

(Former Name or Former Address, if Changed Since Last Report): _____________

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):

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

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

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

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

The information in this report, including information in the exhibits submitted herewith, 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 November 6, 2014, Fannie Mae filed its quarterly report on Form 10-Q for the quarter ended September 30, 2014 and issued a news release reporting its financial results for the periods covered by the Form 10-Q. The news release, a copy of which is furnished as Exhibit 99.1 to this report, is incorporated herein by reference.

Item 7.01 Regulation FD Disclosure.

On November 6, 2014, Fannie Mae posted to its Web site a 2014 Third Quarter Credit Supplement presentation consisting primarily of information about Fannie Mae's guaranty book of business. The presentation, a copy of which is furnished as Exhibit 99.2 to this report, is incorporated herein by reference. Fannie Mae's Web site address is www.fanniemae.com. Information appearing on the company's Web site is not incorporated into this report.

Item 9.01 Financial Statements and Exhibits.

(d) Exhibits. The exhibit index filed herewith is incorporated herein by reference.

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/ David C. Benson

David C. Benson

Executive Vice President and
Chief Financial Officer

Date: November 6, 2014

EXHIBIT INDEX

The following exhibits are submitted herewith:

Exhibit Number	Description of Exhibit
99.1	News release, dated November 6, 2014
99.2	2014 Third Quarter Credit Supplement presentation, dated November 6, 2014

Resource Center: 1-800-732-6643

Contact: Pete Bakel
202-752-2034

Exhibit 99.1

Date: November 6, 2014

Fannie Mae Reports Net Income of $3.9 Billion and Comprehensive Income of $4.0 Billion for Third Quarter 2014

- Fannie Mae reported net income of $3.9 billion and comprehensive income of $4.0 billion for the third quarter of 2014.
- Fannie Mae expects to pay $4.0 billion in dividends to Treasury in December 2014. With the December dividend payment, Fannie Mae will have paid a total of $134.5 billion in dividends to Treasury in comparison to $116.1 billion in draw requests since 2008. Dividend payments do not reduce prior Treasury draws.
- Fannie Mae has provided more than $4.3 trillion in liquidity to the mortgage market since 2009, including approximately $123 billion in liquidity in the third quarter of 2014, enabling families to buy, refinance, or rent homes.
- Fannie Mae has helped distressed families retain their homes or avoid foreclosure through more than 1.6 million workout solutions since 2009, including approximately 39,000 in the third quarter of 2014.

WASHINGTON, DC — Fannie Mae (FNMA/OTC) reported net income of $3.9 billion for the third quarter of 2014 and comprehensive income of $4.0 billion. The company reported a positive net worth of $6.4 billion as of September 30, 2014 resulting in a dividend obligation to Treasury of $4.0 billion, which the company expects to pay in December 2014.

Fannie Mae's net income of $3.9 billion and comprehensive income of $4.0 billion for the third quarter of 2014 compares to net income of $3.7 billion and comprehensive income of $3.7 billion for the second quarter of 2014. Net income in the third quarter of 2014 increased compared with the second quarter of 2014 due primarily to lower fair value losses and an increase in revenues. This increase was partially offset by a decline in credit-related income.

Fannie Mae recognized a provision for federal income taxes of $1.8 billion for the third quarter of 2014, which resulted in an effective tax rate of 31.4 percent.

"This was another solid quarter, with the company reporting strong financial results and continuing to provide much needed liquidity to the market," said Timothy J. Mayopoulos, president and chief executive officer. "We continue to build a strong book of business based on appropriate standards. We are committed to being our customers' most valued business partner and delivering the products, services, and tools our customers need to serve the entire market confidently, efficiently, and profitably."

SUMMARY OF THIRD QUARTER 2014 RESULTS

Summary of Financial Results

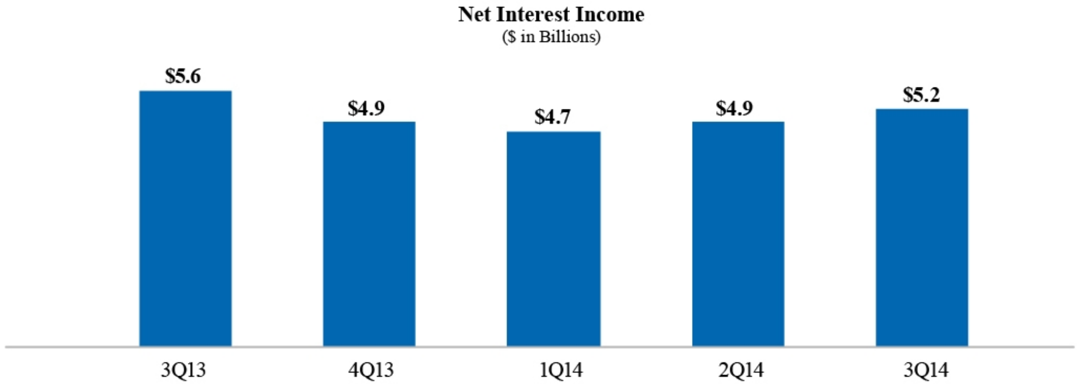
(Dollars in millions)	3Q14	2Q14	Variance	3Q14	3Q13	Variance
Net interest income	$ 5,184	$ 4,904	$ 280	$ 5,184	$ 5,582	$ (398)
Fee and other income	826	383	443	826	741	85
Net revenues	6,010	5,287	723	6,010	6,323	(313)
Investment gains, net	177	506	(329)	177	648	(471)
Fair value (losses) gains, net	(207)	(934)	727	(207)	335	(542)
Administrative expenses	(706)	(697)	(9)	(706)	(646)	(60)
Credit-related income						
Benefit for credit losses	1,085	1,639	(554)	1,085	2,609	(1,524)
Foreclosed property (expense) income	(249)	214	(463)	(249)	1,165	(1,414)
Total credit-related income	836	1,853	(1,017)	836	3,774	(2,938)
Other non-interest expenses[1]	(418)	(596)	178	(418)	(335)	(83)
Net (losses) gains and (expenses) income	(318)	132	(450)	(318)	3,776	(4,094)
Income before federal income taxes	5,692	5,419	273	5,692	10,099	(4,407)
Provision for federal income taxes	(1,787)	(1,752)	(35)	(1,787)	(1,355)	(432)
Net income	3,905	3,667	238	3,905	8,744	(4,839)
Less: Net income attributable to noncontrolling interest	—	(1)	1	—	(7)	7
Net income attributable to Fannie Mae	$ 3,905	$ 3,666	$ 239	$ 3,905	$ 8,737	$ (4,832)
Total comprehensive income attributable to Fannie Mae	$ 4,000	$ 3,711	$ 289	$ 4,000	$ 8,603	$ (4,603)
Dividends distributed or available for distribution to senior preferred stockholder	$ (3,999)	$ (3,712)	$ (287)	$ (3,999)	$ (8,617)	$ 4,618

(1) Consists of net other-than-temporary impairments, debt extinguishments gains, net, TCCA fees and other expenses, net.

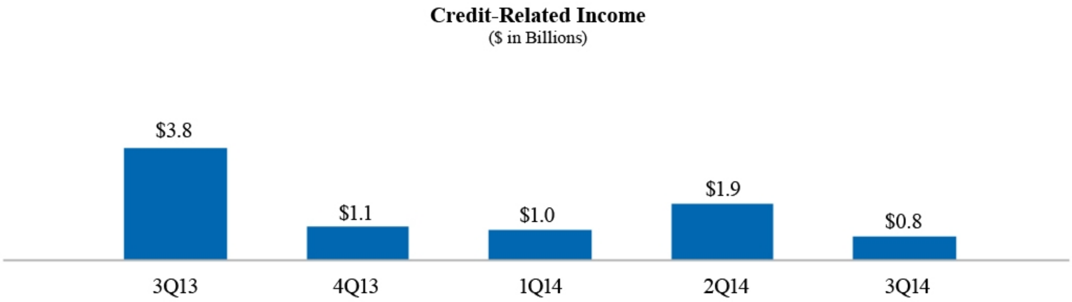
Net Revenues, which consists of net interest income and fee and other income, were $6.0 billion for the third quarter of 2014, compared with $5.3 billion for the second quarter of 2014. Higher net revenues were driven primarily by an increase in income from settlement agreements related to Fannie Mae's investments in private-label mortgage-related securities and an increase in net interest income.

Net interest income, which includes guaranty fee revenue, was $5.2 billion for the third quarter of 2014, compared with $4.9 billion for the second quarter of 2014. The increase in net interest income compared with the second quarter of 2014 was due primarily to higher amortization income from an increase in prepayments.

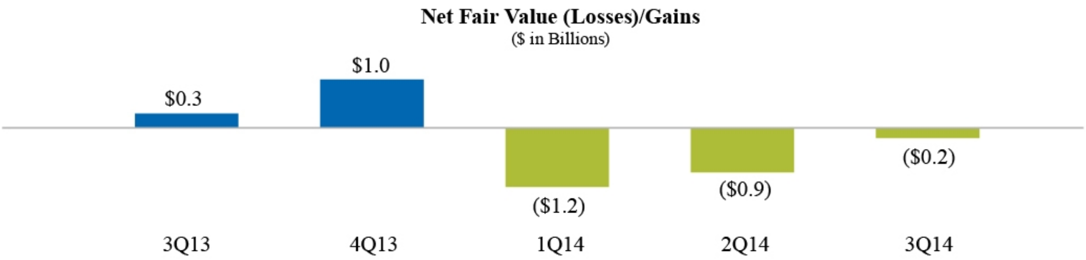
An increasing portion of Fannie Mae's revenues in recent years has been derived from guaranty fees rather than from interest income earned on the company's retained mortgage portfolio assets. This is a result of both the shrinking of the retained mortgage portfolio and the impact of guaranty fee increases. The company recognizes almost all of its guaranty fee revenue in net interest income and the percentage of net interest income derived from guaranty fees on loans underlying Fannie Mae MBS increased to approximately half in the first nine months of 2014, compared with approximately one-third in the first nine months of 2013. The company expects that guaranty fees will continue to account for an increasing portion of its revenues.



Credit-Related Income, which consists of a benefit for credit losses and foreclosed property expense or income, was $836 million in the third quarter of 2014, compared with $1.9 billion in the second quarter of 2014. The decrease in credit-related income was driven primarily by a decline in the company's benefit for credit losses due primarily to a slower rate of home price appreciation compared with the second quarter of 2014, partially offset by an incremental benefit for credit losses for the third quarter due to updates made in the quarter to the company's model and assumptions used to estimate its allowance for loan losses. Also contributing to the decrease in credit-related income was foreclosed property expense in the third quarter of 2014, compared with foreclosed property income in the second quarter of 2014.



Net Fair Value Losses were $207 million in the third quarter of 2014, compared with $934 million in the second quarter of 2014. Fair value losses in the third quarter of 2014 were due primarily to increases in shorter-term interest rates impacting the value of the company's risk management derivatives. The estimated fair value of the company's derivatives and securities may fluctuate substantially from period to period because of changes in interest rates, the yield curve, mortgage spreads, implied volatility, and activity related to these financial instruments.



VARIABILITY OF FINANCIAL RESULTS

Fannie Mae expects to remain profitable for the foreseeable future. The company's financial results will be affected by a number of factors, including: changes in interest rates and home prices, the company's guaranty fee rates, the volume of single-family mortgage originations in the future, the size, composition, and quality of the company's retained mortgage portfolio and guaranty book of business, and economic and housing market conditions. Some of these factors could result in significant variability in the company's financial results from quarter to quarter or year to year. For additional information on factors that affect the company's financial results, please refer to "Executive Summary" in the company's quarterly report on Form 10-Q for the quarter ended September 30, 2014 (the "Third Quarter 2014 Form 10-Q").

SUMMARY OF THIRD QUARTER 2014 BUSINESS SEGMENT RESULTS

The business groups running Fannie Mae's three reporting segments – its Single-Family business, its Multifamily business, and its Capital Markets group – engage in complementary business activities in pursuing the company's goals of providing liquidity to the market, expanding access to credit, and helping the U.S. housing market recover.

Business Segments

(Dollars in millions)	3Q14	2Q14	Variance	3Q14	3Q13	Variance
Single-Family Segment:						
Guaranty fee income	$ 2,945	$ 2,893	$ 52	$ 2,945	$ 2,719	$ 226
Credit-related income	748	1,781	(1,033)	748	3,642	(2,894)
Other	(794)	(847)	53	(794)	(865)	71
Income before federal income taxes	2,899	3,827	(928)	2,899	5,496	(2,597)
Provision for federal income taxes	(837)	(1,133)	296	(837)	(751)	(86)
Net income	$ 2,062	$ 2,694	$ (632)	$ 2,062	$ 4,745	$ (2,683)
Multifamily Segment:						
Guaranty fee income	$ 332	$ 317	$ 15	$ 332	$ 311	$ 21
Credit-related income	88	72	16	88	132	(44)
Other	1	(4)	5	1	43	(42)
Income before federal income taxes	421	385	36	421	486	(65)
Provision for federal income taxes	(37)	(9)	(28)	(37)	(8)	(29)
Net income	$ 384	$ 376	$ 8	$ 384	$ 478	$ (94)
Capital Markets Segment:						
Net interest income	$ 1,845	$ 1,917	$ (72)	$ 1,845	$ 2,311	$ (466)
Investment gains, net	1,516	1,648	(132)	1,516	1,590	(74)
Fair value (losses) gains, net	(335)	(1,098)	763	(335)	371	(706)
Other	169	(308)	477	169	123	46
Income before federal income taxes	3,195	2,159	1,036	3,195	4,395	(1,200)
Provision for federal income taxes	(913)	(610)	(303)	(913)	(596)	(317)
Net income	$ 2,282	$ 1,549	$ 733	$ 2,282	$ 3,799	$ (1,517)

Single-Family Business

- Single-Family net income was $2.1 billion in the third quarter of 2014, compared with $2.7 billion in the second quarter of 2014. Net income in the third quarter of 2014 was driven primarily by guaranty fee income and credit-related income.
- Single-Family guaranty fee income was $2.9 billion for both the third quarter of 2014 and the second quarter of 2014. The Single-Family guaranty book of business was $2.85 trillion as of September 30, 2014, compared with $2.86 trillion as of June 30, 2014.
- Single-Family credit-related income was $748 million in the third quarter of 2014, compared with $1.8 billion in the second quarter of 2014.

Multifamily Business

- Multifamily net income was $384 million in the third quarter of 2014, compared with $376 million in the second quarter of 2014. Net income in the third quarter of 2014 was driven primarily by guaranty fee income.
- Multifamily guaranty fee income was $332 million for the third quarter of 2014, compared with $317 million for the second quarter of 2014. The Multifamily guaranty book of business was $200.2 billion as of September 30, 2014, compared with $197.6 billion as of June 30, 2014.
- Multifamily credit-related income was $88 million for the third quarter of 2014, compared with $72 million for the second quarter of 2014.

Capital Markets

- Capital Markets net income was $2.3 billion in the third quarter of 2014, compared with $1.5 billion in the second quarter of 2014. Net income in the third quarter of 2014 was driven primarily by net interest income and net investment gains, partially offset by net fair value losses.
- Capital Markets net interest income was $1.8 billion for the third quarter of 2014, compared with $1.9 billion for the second quarter of 2014.
- Capital Markets net investment gains were $1.5 billion in the third quarter of 2014, compared with $1.6 billion in the second quarter of 2014.
- Capital Markets net fair value losses were $335 million in the third quarter of 2014, compared with $1.1 billion in the second quarter of 2014.
- Capital Markets retained mortgage portfolio balance decreased to $438.1 billion as of September 30, 2014, compared with $452.8 billion as of June 30, 2014, resulting from purchases of $50.8 billion and sales and liquidations of $65.5 billion during the third quarter of 2014.

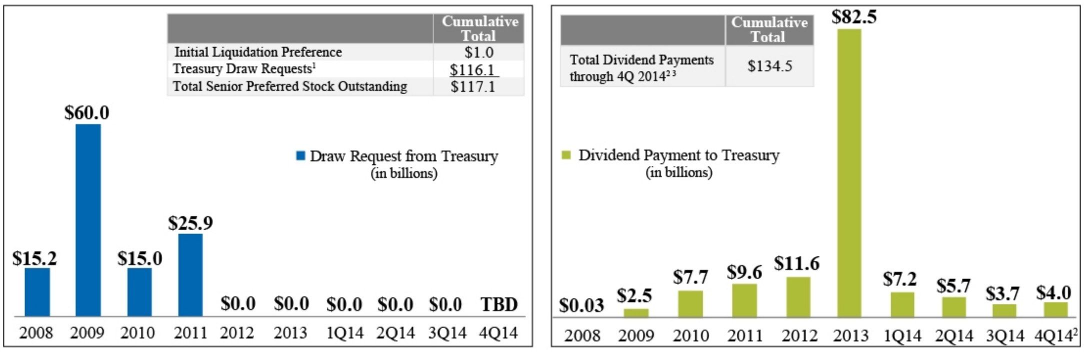
BUILDING A SUSTAINABLE HOUSING FINANCE SYSTEM

In addition to continuing to provide liquidity and support to the mortgage market, Fannie Mae has devoted significant resources toward helping to build a sustainable housing finance system for the future. The company is pursuing the strategic goals identified by its conservator, the Federal Housing Finance Agency (“FHFA”). These strategic goals are: maintain in a safe and sound manner foreclosure prevention activities and credit availability for new and refinanced mortgages to foster liquid, efficient, competitive, and resilient national housing finance markets; reduce taxpayer risk through increasing the role of private capital in the mortgage market; and build a new single-family securitization infrastructure for use by the Enterprises and adaptable for use by other participants in the secondary market in the future.

ABOUT FANNIE MAE'S CONSERVATORSHIP

Fannie Mae has operated under the conservatorship of FHFA since September 6, 2008. Fannie Mae has not received funds from Treasury since the first quarter of 2012. The funding the company has received under its senior preferred stock purchase agreement with Treasury has provided the company with the capital and liquidity needed to fulfill its mission of providing liquidity and support to the nation's housing finance markets and to avoid a trigger of mandatory receivership under the Federal Housing Finance Regulatory Reform Act of 2008. For periods through September 30, 2014, Fannie Mae has requested cumulative draws totaling $116.1 billion and paid $130.5 billion in dividends to Treasury. Under the senior preferred stock purchase agreement, the payment of dividends does not offset prior draws. As a result, Treasury maintains a liquidation preference of $117.1 billion on the company's senior preferred stock.

Treasury Draws and Dividend Payments



(1) Treasury draw requests are shown in the period for which requested and do not include the initial $1.0 billion liquidation preference of Fannie Mae's senior preferred stock, for which Fannie Mae did not receive any cash proceeds. The payment of dividends does not offset prior Treasury draws.

(2) Fannie Mae expects to pay a dividend for the fourth quarter of 2014 calculated based on the company's net worth of $6.4 billion as of September 30, 2014 less a capital reserve amount of $2.4 billion.

(3) Amounts may not sum due to rounding.

In August 2012, the terms governing the company's dividend obligations on the senior preferred stock were amended. The amended senior preferred stock purchase agreement does not allow the company to build a capital reserve. Beginning in 2013, the required senior preferred stock dividends each quarter equal the amount, if any, by which the company's net worth as of the end of the immediately preceding fiscal quarter exceeds an applicable capital reserve amount. The capital reserve amount is $2.4 billion for each quarter of 2014 and will be reduced by $600 million each year until it reaches zero in 2018.

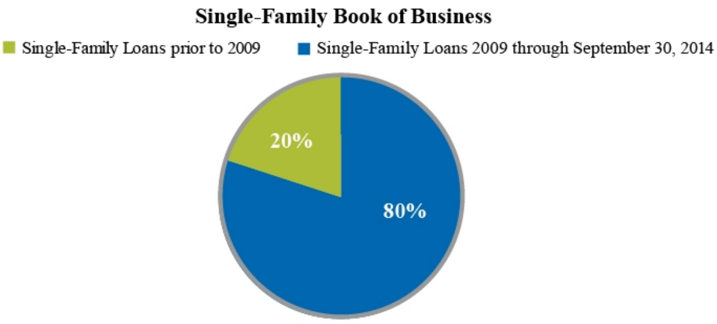
The amount of remaining funding available to Fannie Mae under the senior preferred stock purchase agreement with Treasury is currently $117.6 billion.

Fannie Mae is not permitted to redeem the senior preferred stock prior to the termination of Treasury's funding commitment under the senior preferred stock purchase agreement. The limited circumstances under which Treasury's funding commitment will terminate are described in "Business—Conservatorship and Treasury Agreements" in the company's annual report on Form 10-K for the year ended December 31, 2013.

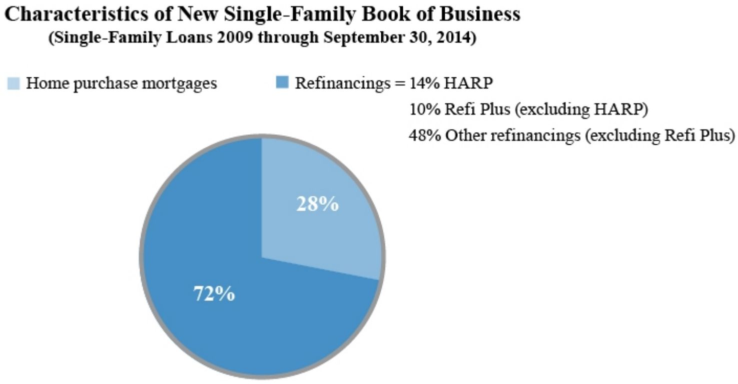
CREDIT QUALITY

While continuing to make it possible for families to purchase, refinance, or rent a home, Fannie Mae has maintained responsible credit standards. Since 2009, Fannie Mae has seen the effect of the actions it took, beginning in 2008, to significantly strengthen its underwriting and eligibility standards and change its pricing to promote sustainable homeownership and stability in the housing market. Single-family conventional loans acquired by Fannie Mae in the first nine months of 2014 had a weighted average borrower FICO credit score at origination of 743 and a weighted average original loan-to-value ratio of 77 percent.

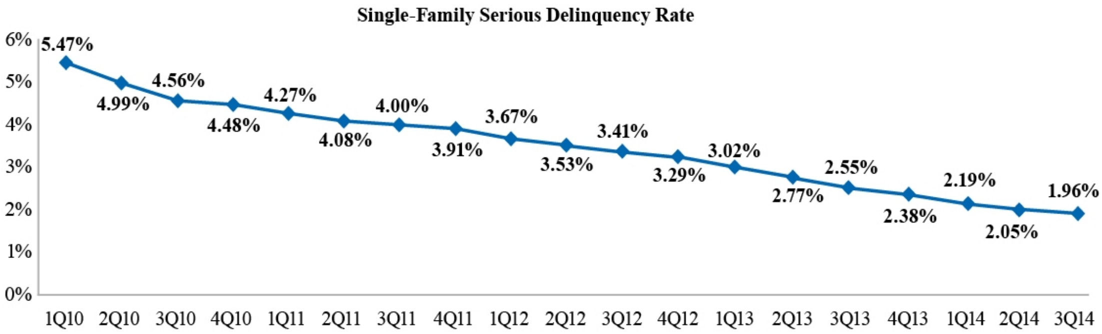
As of September 30, 2014, 80 percent of Fannie Mae's single-family conventional guaranty book of business consisted of loans it had purchased or guaranteed since the beginning of 2009.



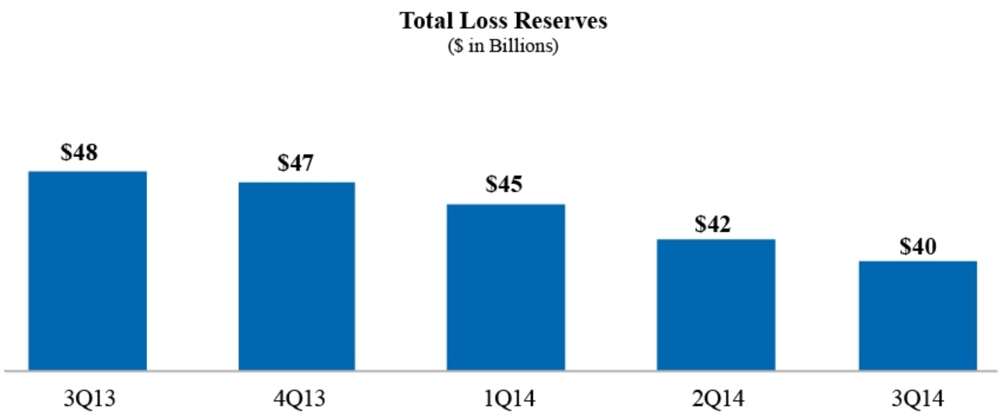
Fannie Mae's new book of business (loans purchased or guaranteed since 2009) was comprised of 28 percent of home purchase mortgages and 72 percent of loan refinancings as of September 30, 2014. Refinancings included 14 percent of loans acquired through the Home Affordable Refinance Program ("HARP®"), 10 percent of loans through Fannie Mae's Refi Plus™ initiative (excluding HARP), and 48 percent other refinancings (excluding Refi Plus refinancings). Our Refi Plus initiative, which started in April 2009 and includes HARP, provides expanded refinance opportunities for eligible Fannie Mae borrowers, and may involve the refinance of existing Fannie Mae loans with high loan-to-value ratios, including loans with loan-to-value ratios in excess of 100 percent.



The single-family serious delinquency rate for Fannie Mae's book of business has declined each quarter since the first quarter of 2010, and was 1.96 percent as of September 30, 2014, compared with 5.47 percent as of March 31, 2010. This decline is the result of home retention solutions, foreclosure alternatives, and completed foreclosures, as well as the company's acquisition of loans with stronger credit profiles since the beginning of 2009. Although Fannie Mae's single-family serious delinquency rate has declined, the pace of declines has slowed in recent months and the company expects this trend to continue. The company's single-family serious delinquency rate and the period of time that loans remain seriously delinquent continue to be negatively impacted by the length of time required to complete a foreclosure. Other factors such as the pace of loan modifications, changes in home prices, unemployment levels, and other macroeconomic conditions also influence serious delinquency rates.



Total Loss Reserves, which reflect the company's estimate of the probable losses the company has incurred in its guaranty book of business, including concessions it granted borrowers upon modification of their loans, were $39.7 billion as of September 30, 2014, compared with $42.1 billion as of June 30, 2014. The total loss reserve coverage to total nonaccrual loans was 58 percent as of September 30, 2014, compared with 59 percent as of June 30, 2014.



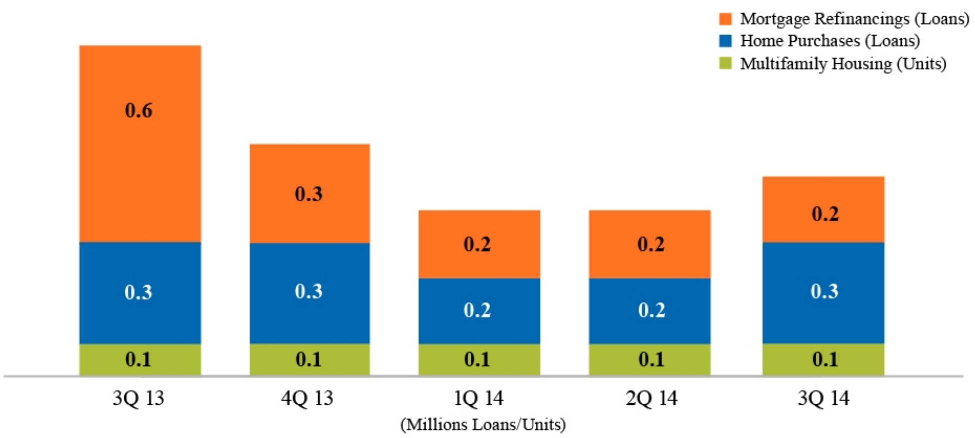
PROVIDING LIQUIDITY AND SUPPORT TO THE MARKET

Liquidity

Fannie Mae has provided more than $4.3 trillion in liquidity to the mortgage market since January 1, 2009, including approximately $123 billion in liquidity in the third quarter of 2014, through its purchases and guarantees of loans, which resulted in:

- 13.0 million mortgage refinancings, including approximately 228,000 in the third quarter of 2014
- 4.3 million home purchases, including approximately 265,000 in the third quarter of 2014
- 2.5 million units of multifamily housing, including approximately 124,000 in the third quarter of 2014

Providing Liquidity to the Mortgage Market



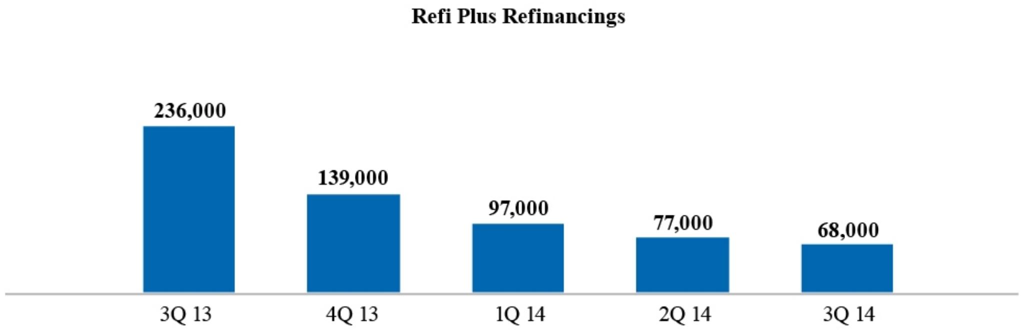
The company expects that refinancings will constitute a smaller portion of its single-family business volume in 2014 than in 2013.

The company remained the largest single issuer of single-family mortgage-related securities in the secondary market in the third quarter of 2014, with an estimated market share of new single-family mortgage-related securities issuances of 38 percent in the third quarter of 2014, compared with 39 percent in the second quarter of 2014 and 48 percent in the third quarter of 2013.

Fannie Mae also remained a continuous source of liquidity in the multifamily market. As of June 30, 2014 (the latest date for which information is available), the company owned or guaranteed approximately 19 percent of the outstanding debt on multifamily properties.

Refinancing Initiatives

Through the company's Refi Plus initiative, which offers refinancing flexibility to eligible Fannie Mae borrowers and includes HARP, the company acquired over 68,000 loans in the third quarter of 2014. Some borrowers' monthly payments increased as they took advantage of the ability to refinance through Refi Plus to reduce the term of their loan, to switch from an adjustable-rate mortgage to a fixed-rate mortgage, or to switch from an interest-only mortgage to a fully amortizing mortgage. Even taking these into account, refinancings delivered to Fannie Mae through Refi Plus in the third quarter of 2014 reduced borrowers' monthly mortgage payments by an average of $159. The company expects the volume of refinancings under HARP to continue to decline, due to the increase in interest rates since the first half of 2013 and a decrease in the population of borrowers with loans that have high LTV ratios who are willing to refinance and would benefit from refinancing.



Home Retention Solutions and Foreclosure Alternatives

To reduce the credit losses Fannie Mae ultimately incurs on its legacy book of business, the company has been focusing its efforts on several strategies, including reducing defaults by offering home retention solutions, such as loan modifications.

Single-Family Loan Workouts

	For the Nine Months Ended September 30,			
	2014		2013	
	Unpaid Principal Balance	Number of Loans	Unpaid Principal Balance	Number of Loans
	(Dollars in millions)			
Home retention strategies:				
Modifications	$ 16,425	96,915	$ 21,822	120,848
Repayment plans and forbearances completed	752	5,607	1,331	10,128
Total home retention strategies	17,177	102,522	23,153	130,976
Foreclosure alternatives:				
Short sales	3,866	18,691	7,860	37,247
Deeds-in-lieu of foreclosure	1,414	8,944	1,917	11,681
Total foreclosure alternatives	5,280	27,635	9,777	48,928
Total loan workouts	$ 22,457	130,157	$ 32,930	179,904
Loan workouts as a percentage of single-family guaranty book of business	1.05%	0.99%	1.53%	1.36%

Fannie Mae views foreclosure as a last resort. For homeowners and communities in need, the company offers alternatives to foreclosure. In dealing with homeowners in distress, the company first seeks home retention solutions, which enable borrowers to stay in their homes, before turning to foreclosure alternatives.

- Fannie Mae provided approximately 39,000 loan workouts during the third quarter of 2014 enabling borrowers to avoid foreclosure and contributing to the more than 1.6 million loan workouts completed from the beginning of 2009 through September 30, 2014.
- Fannie Mae completed approximately 29,000 loan modifications during the third quarter of 2014, bringing the total number of loan modifications the company has completed since January 1, 2009 to more than 1.1 million.

FORECLOSURES AND REO

When there is no viable home retention solution or foreclosure alternative that can be applied, the company seeks to move to foreclosure expeditiously in an effort to minimize prolonged delinquencies that can hurt local home values and destabilize communities.

Single-Family Foreclosed Properties

	For the Nine Months Ended September 30,	
	2014	2013
Single-family foreclosed properties (number of properties):		
Beginning of period inventory of single-family foreclosed properties (REO)	103,229	105,666
Total properties acquired through foreclosure	91,372	112,176
Dispositions of REO	(102,215)	(116,901)
End of period inventory of single-family foreclosed properties (REO)	92,386	100,941
Carrying value of single-family foreclosed properties (dollars in millions)	$ 10,209	$ 10,036
Single-family foreclosure rate	0.70 %	0.85 %

- Fannie Mae acquired 27,798 single-family REO properties, primarily through foreclosure, in the third quarter of 2014, compared with 31,678 in the second quarter of 2014.
- As of September 30, 2014, the company's inventory of single-family REO properties was 92,386, compared with 96,796 as of June 30, 2014. The carrying value of the company's single-family REO was $10.2 billion as of September 30, 2014.
- The company's single-family foreclosure rate was 0.70 percent for the first nine months of 2014. This reflects the annualized total number of single-family properties acquired through foreclosure or deeds-in-lieu of foreclosure as a percentage of the total number of loans in Fannie Mae's single-family guaranty book of business.

Fannie Mae's financial statements for the third quarter of 2014 are available in the accompanying Annex; however, investors and interested parties should read the company's Third Quarter 2014 Form 10-Q, which was filed today with the Securities and Exchange Commission and is available on Fannie Mae's Web site, www.fanniemae.com. The company provides further discussion of its financial results and condition, credit performance, fair value balance sheets, and other matters in its Third Quarter 2014 Form 10-Q. Additional information about the company's credit performance, the characteristics of its guaranty book of business, its foreclosure-prevention efforts, and other measures is contained in the "2014 Third Quarter Credit Supplement" at www.fanniemae.com.

# # #

In this release, the company has presented a number of estimates, forecasts, expectations, and other forward-looking statements, including statements regarding the company's future dividend payments to Treasury; the future sources of its revenues; the company's future profitability; the company's future single-family serious delinquency rates; the portion of its future business volume that will consist of refinancings; the future volume of its HARP refinancings; the impact of the company's actions to reduce credit losses; and the future fair value of the company's securities and derivatives. These estimates, forecasts, expectations, and statements are forward looking statements based on the company's current assumptions regarding numerous factors, including future home prices and the future performance of its loans. Actual results and future projections could be materially different from what is set forth in the forward-looking statements as a result of home price changes, interest rate changes, unemployment rates, other macroeconomic and housing market variables, the company's future serious delinquency rates, government policy, credit availability, borrower behavior, including increases in the number of underwater borrowers who strategically default on their mortgage loan, the volume of loans it modifies, the effectiveness of its loss mitigation strategies and activities, significant changes in modification and foreclosure activity, management of its real estate owned inventory and pursuit of contractual remedies, changes in the fair value of its assets and liabilities, impairments of its assets, future legislative or regulatory requirements that have a significant impact on the company's business such as a requirement that the company implement a principal forgiveness program or the enactment of housing finance reform legislation, the company's reliance on and future updates to the company's models relating to loss reserves, including the assumptions used by these models, changes in generally accepted accounting principles, changes to the company's accounting policies, whether the company's counterparties meet their obligations in full, effects from activities the company takes to support the mortgage market and help borrowers, the company's future objectives and activities in support of those objectives, including actions the company may take to reach additional underserved creditworthy borrowers, actions the company may be required to take by FHFA, as its conservator or as its regulator, such as changes in the types of business the company does, the conservatorship and its effect on the company's business, the investment by Treasury and its effect on the company's business, the uncertainty of the company's future, the company's future guaranty fee pricing and the impact of that pricing on the company's competitive environment, challenges the company faces in retaining and hiring qualified employees, the deteriorated credit performance of many loans in the company's guaranty book of business, a decrease in the company's credit ratings, defaults by one or more institutional counterparties, resolution or settlement agreements the company may enter into with its counterparties, operational control weaknesses, changes in the fiscal and monetary policies of the Federal Reserve, including any change in the Federal Reserve's policy toward the reinvestment of principal payments of mortgage-backed securities or any future sales of such securities, changes in the structure and regulation of the financial services industry, the company's ability to access the debt markets, disruptions in the housing, credit, and stock markets, the company's reliance on and the performance of the company's servicers, global political risk, natural disasters, terrorist attacks, pandemics or other major disruptive events, information security breaches, and many other factors, including those discussed in the "Risk Factors" section of and elsewhere in the company's annual report on Form 10-K for the year ended December 31, 2013 and the company's quarterly report on Form 10-Q for the quarter ended September 30, 2014, and elsewhere in this release.

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

Fannie Mae enables people to buy, refinance, or rent a home.

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ANNEX

FANNIE MAE

(In conservatorship)

Condensed Consolidated Balance Sheets — (Unaudited)

(Dollars in millions, except share amounts)

	As of	
	September 30, 2014	December 31, 2013
ASSETS		
Cash and cash equivalents	$ 16,329	$ 19,228
Restricted cash (includes $24,106 and $23,982, respectively, related to consolidated trusts)	28,518	28,995
Federal funds sold and securities purchased under agreements to resell or similar arrangements	29,450	38,975
Investments in securities:		
Trading, at fair value	30,844	30,768
Available-for-sale, at fair value (includes $699 and $998, respectively, related to consolidated trusts)	32,099	38,171
Total investments in securities	62,943	68,939
Mortgage loans:		
Loans held for sale, at lower of cost or fair value	368	380
Loans held for investment, at amortized cost:		
Of Fannie Mae	278,961	300,159
Of consolidated trusts (includes $15,262 and $14,268, respectively, at fair value and loans pledged as collateral that may be sold or repledged of $0 and $442, respectively)	2,767,805	2,769,547
Total loans held for investment	3,046,766	3,069,706
Allowance for loan losses	(36,931)	(43,846)
Total loans held for investment, net of allowance	3,009,835	3,025,860
Total mortgage loans	3,010,203	3,026,240
Accrued interest receivable, net (includes $7,506 and $7,271, respectively, related to consolidated trusts)	8,566	8,319
Acquired property, net	11,339	11,621
Deferred tax assets, net	42,757	47,560
Other assets (includes cash pledged as collateral of $1,677 and $1,590, respectively)	20,211	20,231
Total assets	$ 3,230,316	$ 3,270,108
LIABILITIES AND EQUITY		
Liabilities:		
Accrued interest payable (includes $8,215 and $8,276, respectively, related to consolidated trusts)	$ 10,492	$ 10,553
Debt:		
Of Fannie Mae (includes $5,204 and $1,308, respectively, at fair value)	474,952	529,434
Of consolidated trusts (includes $16,598 and $14,976, respectively, at fair value)	2,726,528	2,705,089
Other liabilities (includes $466 and $488, respectively, related to consolidated trusts)	11,945	15,441
Total liabilities	3,223,917	3,260,517
Commitments and contingencies	—	—
Fannie Mae stockholders' equity:		
Senior preferred stock, 1,000,000 shares issued and outstanding	117,149	117,149
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 1,158,082,750 and 1,158,080,657 shares outstanding, respectively	687	687
Accumulated deficit	(124,931)	(121,227)
Accumulated other comprehensive income	1,715	1,203
Treasury stock, at cost, 150,679,953 and 150,682,046 shares, respectively	(7,401)	(7,401)
Total Fannie Mae stockholders' equity	6,349	9,541
Noncontrolling interest	50	50
Total equity	6,399	9,591
Total liabilities and equity	$ 3,230,316	$ 3,270,108

See Notes to Condensed Consolidated Financial Statements in the Third Quarter 2014 Form 10-Q

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

	For the Three Months Ended September 30, 2014	For the Three Months Ended September 30, 2013	For the Nine Months Ended September 30, 2014	For the Nine Months Ended September 30, 2013
Interest income:				
Trading securities	$ 151	$ 185	$ 421	$ 633
Available-for-sale securities	395	546	1,249	1,870
Mortgage loans (includes $25,217 and $25,351, respectively, for the three months ended and $76,704 and $75,592, respectively, for the nine months ended related to consolidated trusts)	27,779	28,299	84,532	85,579
Other	29	37	77	143
Total interest income	28,354	29,067	86,279	88,225
Interest expense:				
Short-term debt	26	29	67	109
Long-term debt (includes $21,094 and $20,905, respectively, for the three months ended and $64,862 and $62,785, respectively, for the nine months ended related to consolidated trusts)	23,144	23,456	71,386	70,563
Total interest expense	23,170	23,485	71,453	70,672
Net interest income	5,184	5,582	14,826	17,553
Benefit for credit losses	1,085	2,609	3,498	8,949
Net interest income after benefit for credit losses	6,269	8,191	18,324	26,502
Investment gains, net	177	648	829	1,056
Net other-than-temporary impairments	(6)	(27)	(80)	(42)
Fair value (losses) gains, net	(207)	335	(2,331)	1,998
Debt extinguishment gains, net	11	92	49	96
Fee and other income	826	741	5,564	1,794
Non-interest income	801	1,789	4,031	4,902
Administrative expenses:				
Salaries and employee benefits	337	307	981	928
Professional services	263	236	780	678
Occupancy expenses	47	48	144	141
Other administrative expenses	59	55	170	166
Total administrative expenses	706	646	2,075	1,913
Foreclosed property expense (income)	249	(1,165)	(227)	(1,757)
Temporary Payroll Tax Cut Continuation Act of 2011 (“TCCA”) fees	351	276	1,008	695
Other expenses, net	72	124	479	260
Total expenses (income)	1,378	(119)	3,335	1,111
Income before federal income taxes	5,692	10,099	19,020	30,293
(Provision) benefit for federal income taxes	(1,787)	(1,355)	(6,123)	47,231
Net income	3,905	8,744	12,897	77,524
Other comprehensive income:				
Changes in unrealized gains on available-for-sale securities, net of reclassification adjustments and taxes	63	(133)	480	532
Other	32	(1)	32	154
Total other comprehensive income (loss)	95	(134)	512	686
Total comprehensive income	4,000	8,610	13,409	78,210
Less: Comprehensive income attributable to noncontrolling interest	—	(7)	(1)	(18)
Total comprehensive income attributable to Fannie Mae	$ 4,000	$ 8,603	$ 13,408	$ 78,192
Net income	$ 3,905	$ 8,744	$ 12,897	$ 77,524
Less: Net income attributable to noncontrolling interest	—	(7)	(1)	(18)
Net income attributable to Fannie Mae	3,905	8,737	12,896	77,506
Dividends distributed or available for distribution to senior preferred stockholder	(3,999)	(8,617)	(13,403)	(78,228)
Net (loss) income attributable to common stockholders	$ (94)	$ 120	$ (507)	$ (722)
(Loss) earnings per share: basic and diluted	$ (0.02)	$ 0.02	$ (0.09)	$ (0.13)
Weighted-average common shares outstanding:				
Basic	5,762	5,762	5,762	5,762
Diluted	5,762	5,893	5,762	5,762

See Notes to Condensed Consolidated Financial Statements in the Third Quarter 2014 Form 10-Q

FANNIE MAE
(In conservatorship)
Condensed Consolidated Statements of Cash Flows— (Unaudited)
(Dollars in millions)

	For the Nine Months Ended September 30,	
	2014	**2013**
Net cash provided by operating activities	$ 960	$ 11,518
Cash flows provided by investing activities:		
Purchases of trading securities held for investment	—	(5,855)
Proceeds from maturities and paydowns of trading securities held for investment	1,046	2,036
Proceeds from sales of trading securities held for investment	1,241	11,118
Proceeds from maturities and paydowns of available-for-sale securities	4,505	8,265
Proceeds from sales of available-for-sale securities	2,461	14,312
Purchases of loans held for investment	(93,029)	(161,737)
Proceeds from repayments and sales of loans acquired as held for investment of Fannie Mae	19,765	38,427
Proceeds from repayments and sales of loans acquired as held for investment of consolidated trusts	281,787	532,411
Net change in restricted cash	477	36,394
Advances to lenders	(71,268)	(114,584)
Proceeds from disposition of acquired property and preforeclosure sales	19,533	29,688
Net change in federal funds sold and securities purchased under agreements to resell or similar arrangements	9,525	(7,800)
Other, net	(178)	619
Net cash provided by investing activities	175,865	383,294
Cash flows used in financing activities:		
Proceeds from issuance of debt of Fannie Mae	284,266	326,036
Payments to redeem debt of Fannie Mae	(339,528)	(377,514)
Proceeds from issuance of debt of consolidated trusts	188,719	339,687
Payments to redeem debt of consolidated trusts	(296,612)	(599,519)
Payments of cash dividends on senior preferred stock to Treasury	(16,594)	(73,835)
Other, net	25	—
Net cash used in financing activities	(179,724)	(385,145)
Net (decrease) increase in cash and cash equivalents	(2,899)	9,667
Cash and cash equivalents at beginning of period	19,228	21,117
Cash and cash equivalents at end of period	$ 16,329	$ 30,784
Cash paid during the period for:		
Interest	$ 81,947	$ 82,086
Income taxes	2,475	1,876

See Notes to Condensed Consolidated Financial Statements in the Third Quarter 2014 Form 10-Q

Exhibit 99.2

Fannie Mae
2014 Third Quarter Credit Supplement

November 6, 2014

- This presentation includes information about Fannie Mae, including information contained in Fannie Mae's Quarterly Report on Form 10-Q for the quarter ended September 30, 2014, the "2014 Q3 Form 10-Q." Some of the terms used in these materials are defined and discussed more fully in the 2014 Q3 Form 10-Q and in Fannie Mae's Form 10-K for the year ended December 31, 2013, the "2013 Form 10-K." These materials should be reviewed together with the 2014 Q3 Form 10-Q and the 2013 Form 10-K, copies of which are available on the "SEC Filings" page in the "Investor Relations" section of Fannie Mae's web site at www.fanniemae.com.

- Some of the information in this presentation is based upon information that we received from third-party sources such as sellers and servicers of mortgage loans. Although we generally consider this information reliable, we do not independently verify all reported information.

- Due to rounding, amounts reported in this presentation may not add to totals indicated (or 100%). A dash indicates less than 0.05% or a null value.

- Unless otherwise indicated data labeled as "YTD 2014" is as of September 30, 2014 or for the first nine months of 2014.

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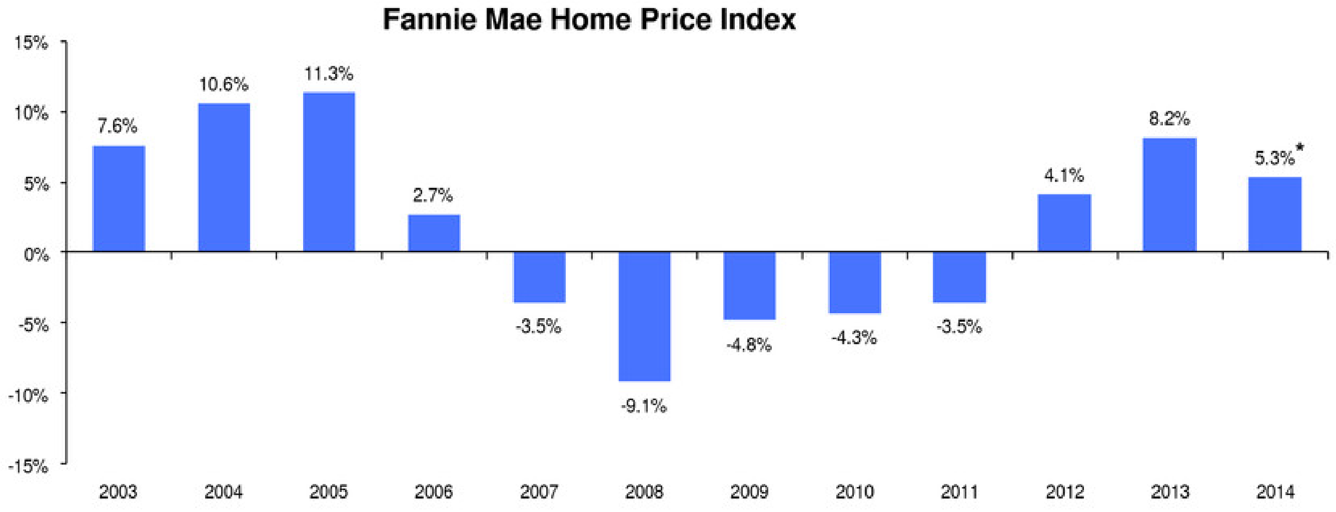
Home Price Growth/Decline Rates in the U.S.



S&P/Case-Shiller Index (1)	9.8%	13.6%	13.5%	1.7%	-5.4%	-12.0%	-3.8%	-4.1%	-3.9%	6.5%	10.8%	4.4%**

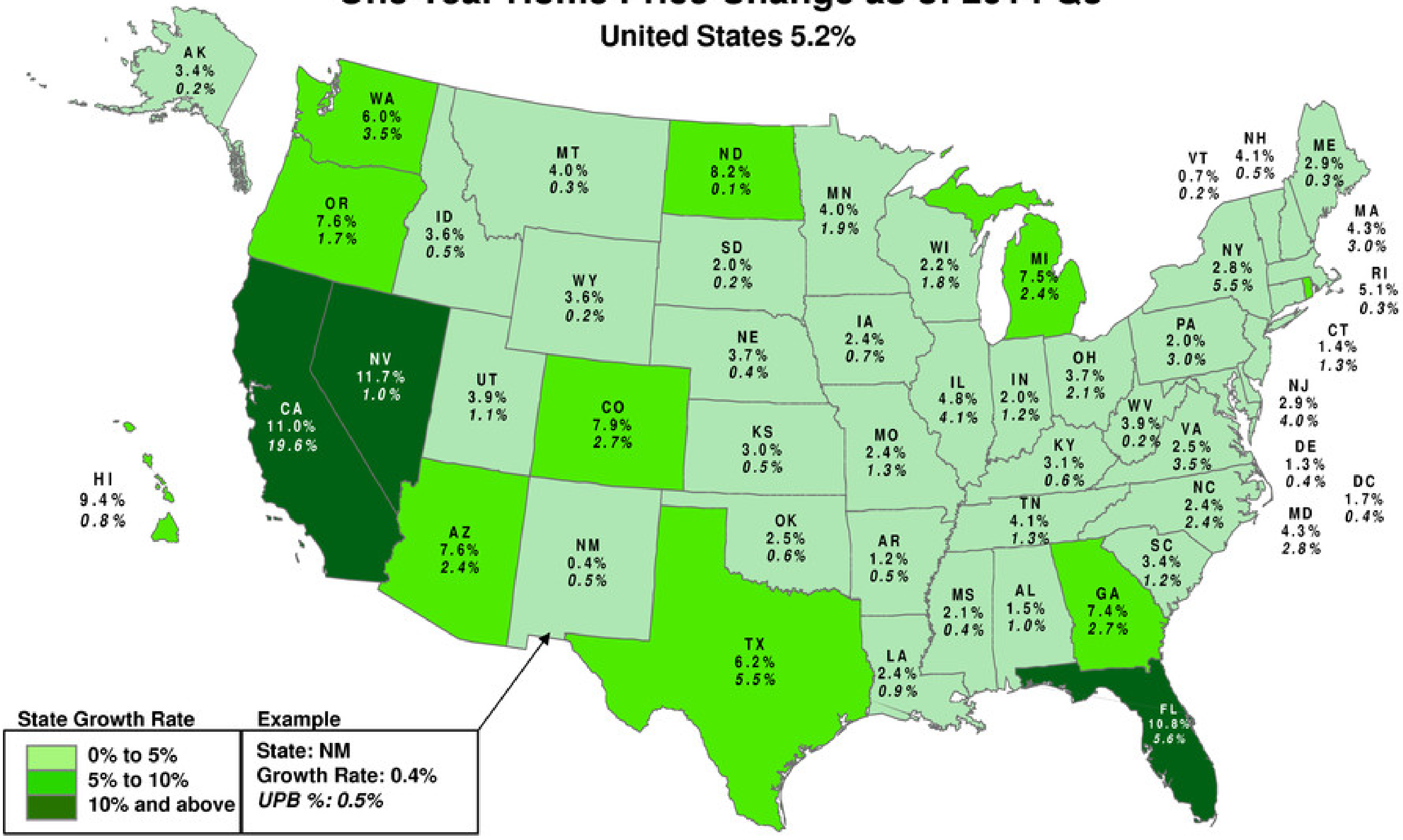
*Year-to-date as of Q3 2014. Estimate based on purchase transactions in Fannie-Freddie acquisition and public deed data available through the end of September 2014. Including subsequent data may lead to materially different results.
**Year-to-date as of June 2014. As comparison, Fannie Mae's index for the same period is 4.1%.

Based on our home price index, we estimate that home prices on a national basis increased by 1.2% in the third quarter of 2014 and by 5.3% in the first nine months of 2014, following increases of 8.2% in 2013 and 4.1% in 2012. Despite the recent increases in home prices, we estimate that, through September 30, 2014, home prices on a national basis remained 9.5% below their peak in the third quarter of 2006. Our home price estimates are based on preliminary data and are subject to change as additional data become available.

(1) In August 2014, the quarterly S&P/Case-Shiller US National Home Price Index was discontinued and replaced with a monthly index, which resulted in revisions in the yearly growth rates listed in this slide. The historical S&P/Case-Shiller Index growth rates provided in this slide have been updated to reflect these revisions.

One Year Home Price Change as of 2014 Q3*

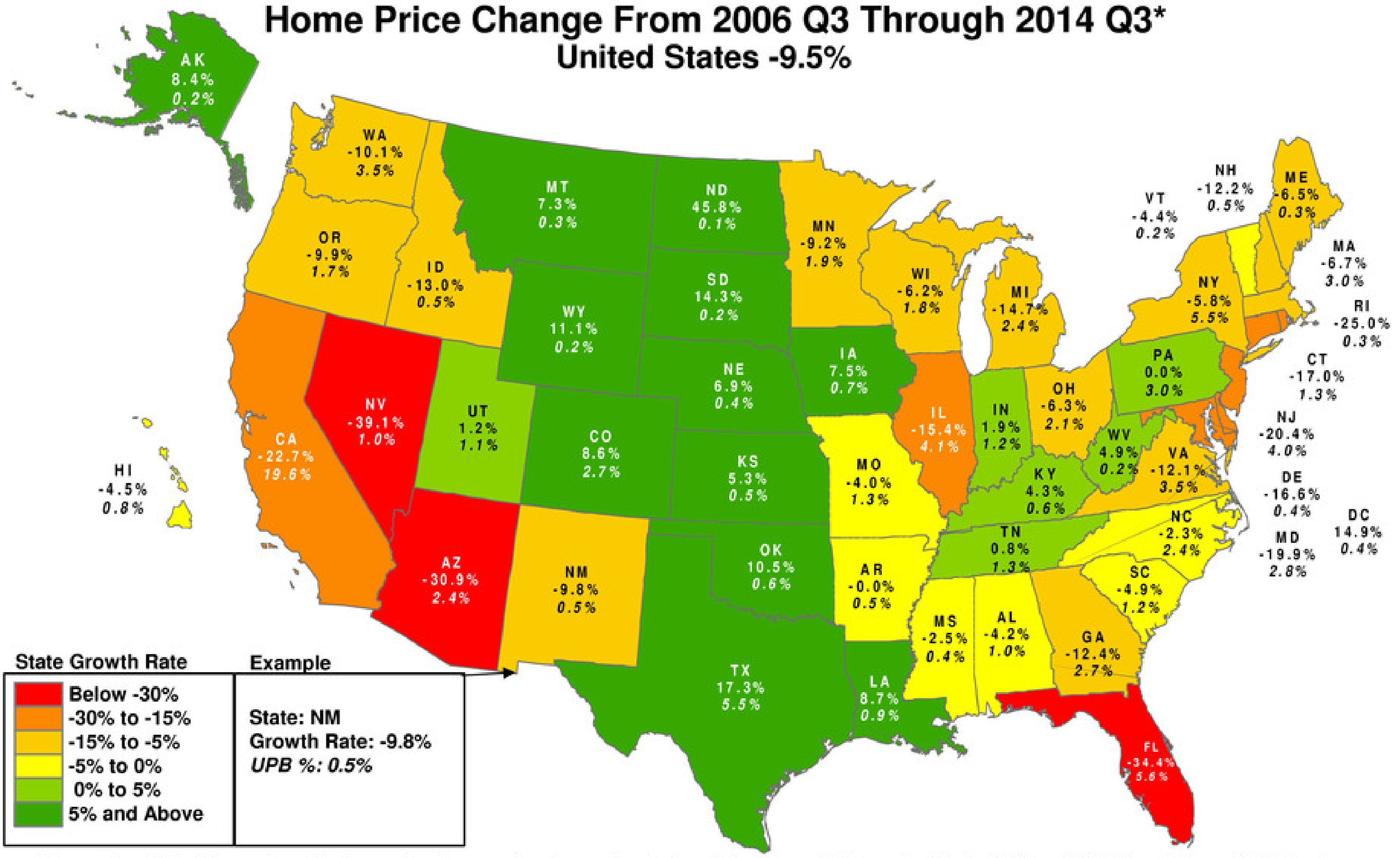
United States 5.2%



*Source: Fannie Mae. Home price estimates are based on purchase transactions in Fannie-Freddie acquisition and public deed data available through the end of September 2014. UPB estimates are based on data available through the end of September 2014. Including subsequent data may lead to materially different results.

Home Price Change From 2006 Q3 Through 2014 Q3*

United States -9.5%



*Source: Fannie Mae. Home price estimates are based on purchase transactions in Fannie-Freddie acquisition and public deed data available through the end of September 2014. UPB estimates are based on data available through the end of September 2014. Including subsequent data may lead to materially different results.

Note: Home prices on a national basis reached a peak in the third quarter of 2006.

Credit Characteristics of Single-Family Business Acquisitions [1]

Acquisition Period	Q3 2014		Q2 2014		Q1 2014		Full Year 2013		Q4 2013		Q3 2013	
	Single-Family Acquisitions	Excl. Refi Plus [2]	Single-Family Acquisitions	Excl. Refi Plus [2]	Single-Family Acquisitions	Excl. Refi Plus [2]	Single-Family Acquisitions	Excl. Refi Plus [2]	Single-Family Acquisitions	Excl. Refi Plus [2]	Single-Family Acquisitions	Excl. Refi Plus [2]
Unpaid Principal Balance (billions)	$102.3	$92.2	$85.2	$73.9	$76.4	$61.8	$728.4	$564.5	$115.7	$94.8	$183.0	$145.6
Weighted Average Origination Note Rate	4.28%	4.26%	4.37%	4.35%	4.41%	4.37%	3.78%	3.73%	4.40%	4.37%	3.91%	3.88%
Origination Loan-to-Value (LTV) Ratio												
<= 60%	14.7%	13.9%	15.8%	14.8%	16.9%	16.5%	22.0%	23.5%	17.0%	16.8%	19.8%	20.5%
60.01% to 70%	11.7%	11.5%	11.7%	11.6%	12.5%	12.8%	13.9%	15.3%	12.0%	12.3%	13.0%	13.9%
70.01% to 80%	41.0%	43.5%	40.6%	44.1%	38.8%	44.0%	34.9%	41.2%	38.5%	43.7%	36.0%	41.8%
80.01% to 90%	13.8%	13.6%	13.0%	12.4%	12.3%	11.3%	10.5%	9.2%	12.1%	11.0%	11.4%	10.2%
90.01% to 100%	17.1%	17.5%	16.6%	17.1%	15.3%	15.4%	11.5%	10.8%	15.9%	16.2%	13.9%	13.6%
> 100%	1.7%	—	2.3%	—	4.2%	—	7.1%	—	4.5%	—	6.0%	—
Weighted Average Origination LTV Ratio	77.1%	76.8%	76.8%	76.3%	76.8%	75.2%	75.7%	71.4%	77.2%	75.3%	76.4%	73.2%
FICO Credit Scores [3]												
< 620	1.1%	—	1.3%	—	1.8%	—	1.4%	—	1.6%	—	1.4%	—
620 to < 660	5.4%	4.6%	5.3%	4.1%	5.7%	4.1%	3.4%	1.9%	4.8%	3.3%	3.7%	2.2%
660 to < 700	13.4%	12.7%	13.3%	12.3%	13.9%	12.6%	9.7%	7.8%	12.4%	11.1%	10.5%	8.8%
700 to < 740	21.1%	21.3%	20.8%	21.1%	21.3%	21.5%	18.2%	17.7%	20.8%	20.9%	19.2%	18.9%
>=740	59.0%	61.4%	59.3%	62.5%	57.3%	61.7%	67.3%	72.5%	60.3%	64.7%	65.2%	70.1%
Weighted Average FICO Credit Score	744	748	744	749	741	748	753	760	745	751	750	757
Product Distribution												
Fixed-rate	95.2%	94.9%	95.1%	94.6%	94.6%	93.8%	97.6%	97.0%	96.7%	96.2%	96.9%	96.2%
Adjustable-rate	4.8%	5.1%	4.9%	5.4%	5.4%	6.2%	2.4%	3.0%	3.3%	3.8%	3.1%	3.8%
Alt-A [4]	0.8%	—	0.8%	—	1.3%	—	1.3%	—	1.3%	—	1.3%	—
Subprime [5]	—	—	—	—	—	—	—	—	—	—	—	—
Interest Only	—	—	—	—	0.1%	0.1%	0.2%	0.3%	0.1%	0.1%	0.2%	0.3%
Negative Amortizing	—	—	—	—	—	—	—	—	—	—	—	—
Investor	8.1%	7.1%	9.0%	7.7%	11.2%	9.1%	9.3%	7.0%	10.1%	8.0%	9.5%	7.1%
Condo/Co-op	10.1%	10.1%	10.6%	10.7%	10.7%	10.8%	10.4%	10.1%	10.8%	10.7%	10.4%	10.0%
Refinance	43.4%	37.2%	45.6%	37.3%	54.9%	44.3%	70.2%	61.5%	51.5%	40.8%	61.7%	51.8%
Loan Purpose												
Purchase	56.6%	62.8%	54.4%	62.7%	45.1%	55.7%	29.8%	38.5%	48.5%	59.2%	38.3%	48.2%
Cash-out refinance	14.9%	16.5%	14.9%	17.2%	16.0%	19.8%	14.6%	18.8%	14.8%	18.0%	14.3%	17.9%
Other refinance	28.5%	20.6%	30.7%	20.2%	38.9%	24.5%	55.6%	42.7%	36.7%	22.7%	47.4%	33.9%
Top 3 Geographic Concentration	Single-Family Acquisitions		Single-Family Acquisitions		Single-Family Acquisitions		Single-Family Acquisitions		Single-Family Acquisitions		Single-Family Acquisitions	
	California	20.5%	California	20.9%	California	21.2%	California	23.7%	California	21.2%	California	21.9%
	Texas	8.0%	Texas	8.2%	Texas	7.4%	Texas	5.8%	Texas	7.0%	Texas	6.5%
	Florida	5.2%	Florida	5.4%	Florida	5.6%	Florida	4.7%	Florida	5.2%	Florida	4.9%

(1) Percentage calculated based on unpaid principal balance of loans at time of acquisition. Single-family business acquisitions refer to single-family mortgage loans we acquire through purchase or securitization transactions.

(2) Single-family business acquisitions for the applicable period excluding loans acquired under our Refi Plus initiative, which includes the Home Affordable Refinance Program ("HARP"). Our Refi Plus initiative provides expanded refinance opportunities for eligible Fannie Mae borrowers, and may involve the refinance of existing Fannie Mae loans with high loan-to-value ratios, including loans with loan-to-value ratios in excess of 100%.

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

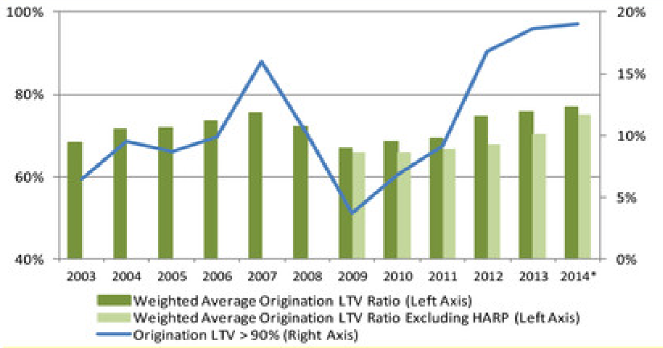
(4) Newly originated Alt-A loans acquired after 2008 consist of the refinance of existing loans under our Refi Plus initiative. For a description of our Alt-A loan classification criteria, refer to Fannie Mae's 2014 Q3 Form 10-Q.

(5) For a description of our subprime loan classification criteria, refer to Fannie Mae's 2014 Q3 Form 10-Q.

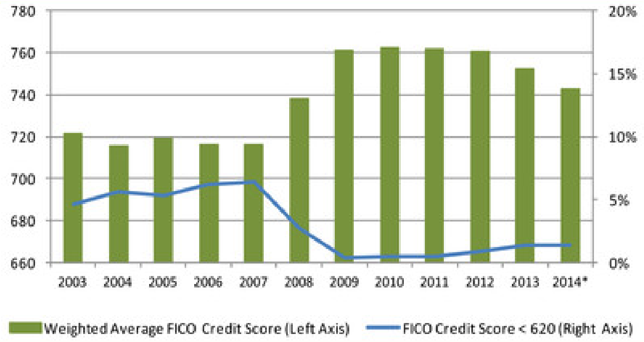
FannieMae

Certain Credit Characteristics of Single-Family Business Acquisitions: 2003 – 2014*[(1)]

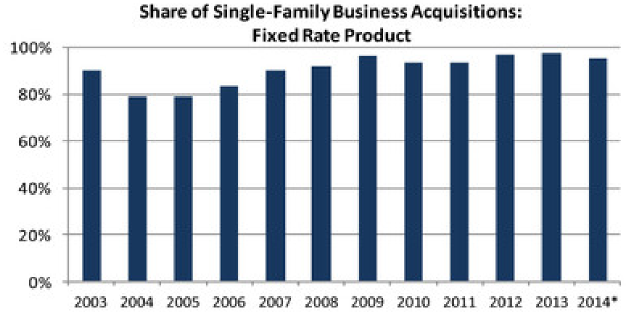
Origination Loan-to-Value Ratio [(2)]

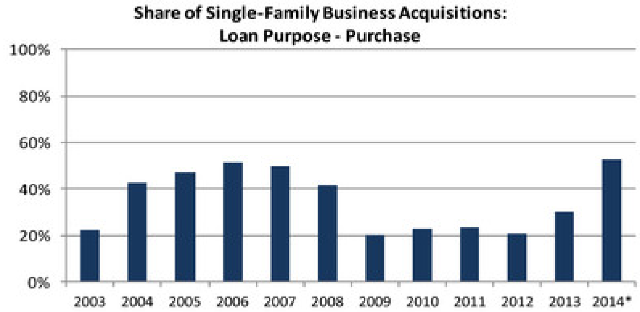


FICO Credit Score [(3)]



Product Feature





* Year-to-date through September 30, 2014.

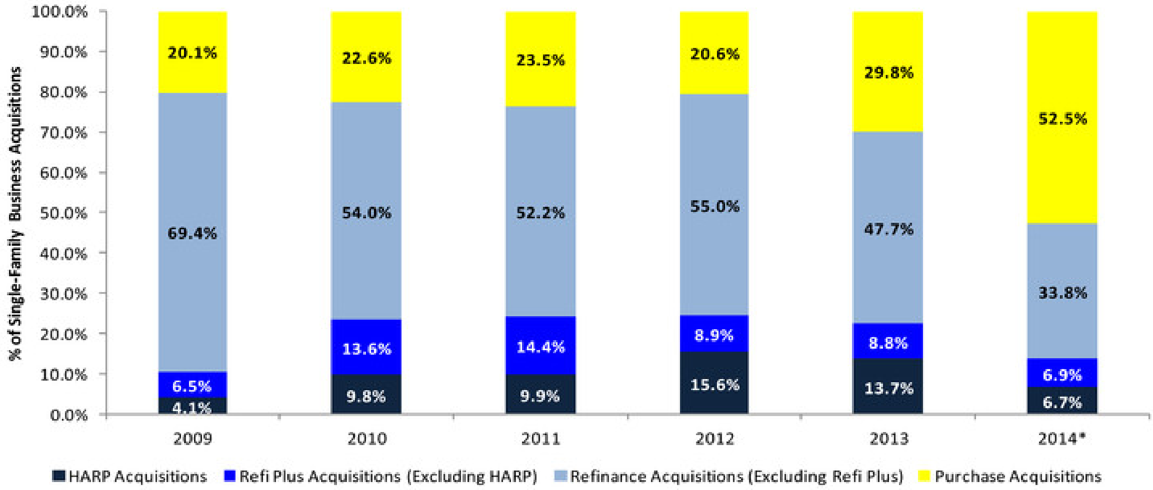
(1) Percentage calculated based on unpaid principal balance of loans at time of acquisition. Single-family business acquisitions refer to single-family mortgage loans we acquire through purchase or securitization transactions.

(2) The refinance of loans under the Home Affordable Refinance Program ("HARP"), which started in April 2009, contributed to an increase in our acquisition of loans with high loan-to-value ratios.

(3) FICO credit score is as of loan origination, as reported by the seller of the mortgage loan. Loans acquired after 2009 with FICO credit scores below 620 primarily consist of the refinance of existing loans under our Refi Plus initiative.

FannieMae

Single-Family Business Acquisitions by Loan Purpose



Acquisition Year	2009		2010		2011		2012		2013		2014*	
	HARP (1)	Refi Plus (Excluding HARP) (1)	HARP (1)	Refi Plus (Excluding HARP) (1)	HARP (1)	Refi Plus (Excluding HARP) (1)	HARP (1)	Refi Plus (Excluding HARP) (1)	HARP (1)	Refi Plus (Excluding HARP) (1)	HARP (1)	Refi Plus (Excluding HARP) (1)
Unpaid Principal Balance (billions)	$27.9	$44.7	$59.0	$80.5	$55.6	$81.2	$129.9	$73.8	$99.5	$64.4	$17.8	$18.2
Weighted Average Origination Note Rate	5.05%	4.85%	5.00%	4.68%	4.78%	4.44%	4.14%	3.89%	4.04%	3.80%	4.65%	4.42%
Origination Loan-to-Value Ratio:												
<=80%	—	100%	—	100%	—	100%	—	100%	—	100%	—	100%
80.01% to 105%	99.1%	—	94.4%	—	88.1%	—	57.2%	—	58.4%	—	72.6%	—
105.01% to 125%	0.9%	—	5.6%	—	11.9%	—	22.1%	—	21.5%	—	17.1%	—
>125%	—	—	—	—	—	—	20.7%	—	20.1%	—	10.3%	—
Weighted Average Origination Loan-to-Value Ratio	90.7%	63.3%	92.2%	62.3%	94.3%	60.2%	111.0%	61.1%	109.8%	60.2%	101.9%	61.3%
FICO Credit Scores (2)												
< 660	3.7%	2.5%	5.7%	3.8%	5.8%	4.5%	9.6%	7.1%	16.2%	12.2%	24.9%	20.4%
660 to < 740	31.9%	23.0%	33.1%	23.9%	32.6%	25.6%	33.8%	26.0%	38.7%	31.9%	41.2%	37.0%
>=740	64.4%	74.5%	61.2%	72.3%	61.5%	70.0%	56.6%	66.9%	45.1%	55.8%	33.9%	42.7%
Weighted Average FICO Credit Score	749	762	746	760	746	758	738	753	722	737	704	717

* Year-to-date through September 30, 2014.

(1) Our Refi Plus initiative, which started in April 2009, includes the Home Affordable Refinance Program ("HARP"). Our Refi Plus initiative provides expanded refinance opportunities for eligible Fannie Mae borrowers, and may involve the refinance of existing Fannie Mae loans with high loan-to-value ratios, including loans with loan-to-value ratios in excess of 100%.

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

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

As of September 30, 2014	Overall Book	Origination Year									
		2014	2013	2012	2011	2010	2009	2008	2007	2006	2005 and Earlier
Unpaid Principal Balance (billions) (1)	$2,789.8	$222.9	$603.0	$676.6	$286.9	$247.1	$180.8	$67.6	$118.1	$84.9	$301.9
Share of Single-Family Conventional Guaranty Book	100.0%	8.0%	21.6%	24.3%	10.3%	8.9%	6.5%	2.4%	4.2%	3.0%	10.8%
Average Unpaid Principal Balance (1)	$160,070	$198,753	$193,399	$193,940	$165,498	$164,268	$158,885	$148,768	$162,447	$146,486	$84,716
Serious Delinquency Rate	1.96%	0.02%	0.16%	0.24%	0.39%	0.56%	0.98%	6.22%	10.91%	9.81%	3.83%
Weighted Average Origination Loan-to-Value Ratio	74.6%	77.0%	76.4%	76.1%	71.4%	71.2%	69.8%	74.7%	78.3%	75.3%	72.5%
Origination Loan-to-Value Ratio > 90% (2)	15.8%	19.2%	19.8%	18.8%	12.7%	10.4%	6.6%	12.5%	20.8%	12.5%	10.6%
Weighted Average Mark-to-Market Loan-to-Value Ratio	63.4%	74.4%	66.3%	59.9%	55.2%	56.6%	58.6%	72.7%	88.9%	86.6%	55.1%
Mark-to-Market Loan-to-Value Ratio > 100% and <= 125%	3.7%	1.4%	2.9%	2.8%	0.4%	0.6%	0.7%	8.3%	20.9%	19.6%	3.9%
Mark-to-Market Loan-to-Value Ratio > 125%	1.3%	0.5%	1.1%	0.9%	—	—	—	1.6%	9.2%	8.9%	1.1%
Weighted Average FICO (3)	744	743	751	759	758	757	754	716	693	697	708
FICO < 620 (3)	2.5%	1.3%	1.5%	1.0%	0.7%	0.7%	0.8%	5.7%	11.1%	8.9%	7.3%
Interest Only	2.6%	—	0.2%	0.3%	0.6%	0.9%	1.0%	7.9%	18.7%	20.8%	6.0%
Negative Amortizing	0.2%	—	—	—	—	—	—	—	—	1.5%	1.2%
Fixed-rate	91.9%	95.3%	97.5%	97.5%	94.8%	95.8%	97.4%	75.6%	65.2%	64.3%	77.9%
Primary Residence	88.1%	86.7%	86.4%	88.7%	87.3%	89.4%	90.8%	87.3%	89.6%	87.4%	89.1%
Condo/Co-op	9.4%	10.3%	10.4%	9.1%	8.7%	8.4%	8.8%	11.0%	9.8%	10.7%	8.8%
Credit Enhanced (4)	15.7%	27.6%	20.0%	14.5%	9.6%	6.9%	6.2%	25.4%	30.4%	19.4%	11.1%
Cumulative Default Rate (5)	—	—	—	0.1%	0.2%	0.4%	0.6%	4.4%	13.5%	12.3%	—

(1) Excludes non-Fannie Mae securities held in portfolio and those Alt-A and subprime wraps for which Fannie Mae does not have loan-level information. Fannie Mae had access to detailed loan-level information for approximately 99% of its single-family conventional guaranty book of business as of September 30, 2014.

(2) The increase after 2009 is primarily the result of the Home Affordable Refinance Program ("HARP"), which involves the refinance of existing Fannie Mae loans with high loan-to-value ratios, including loans with loan-to-value ratios in excess of 100%.

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

(4) Unpaid principal balance of all loans with credit enhancement as a percentage of unpaid principal balance of single-family conventional guaranty book of business for which Fannie Mae has access to loan-level information.

(5) Defaults include loan liquidations other than through voluntary pay-off or repurchase by lenders and include loan foreclosures, short sales, sales to third parties and deeds-in-lieu of foreclosure. Cumulative Default Rate is the total number of single-family conventional loans in the guaranty book of business originated in the identified year that have defaulted, divided by the total number of single-family conventional loans in the guaranty book of business originated in the identified year. For 2004 and 2005 cumulative default rates, refer to slide 17.

Credit Characteristics of Single-Family Conventional Guaranty Book of Business by Certain Product Features

As of September 30, 2014	Categories Not Mutually Exclusive [(1)]							Subtotal of Certain Product Features [(1)]	Overall Book
	Interest Only Loans	Loans with FICO < 620 [(2)]	Loans with FICO ≥ 620 and < 660 [(2)]	Loans with Origination LTV Ratio > 90%	Loans with FICO < 620 and Origination LTV Ratio > 90%	Alt-A Loans	Refi Plus Including HARP [(3)]		
Unpaid Principal Balance (billions) [(4)]	$71.7	$70.5	$152.5	$439.5	$20.7	$119.6	$540.9	$1,011.7	$2,789.8
Share of Single-Family Conventional Guaranty Book	2.6%	2.5%	5.5%	15.8%	0.7%	4.3%	19.4%	36.3%	100.0%
Average Unpaid Principal Balance [(4)]	$233,146	$118,995	$131,807	$171,720	$132,280	$150,502	$162,858	$154,621	$160,070
Serious Delinquency Rate	9.80%	8.68%	6.10%	2.79%	9.34%	8.03%	0.65%	3.43%	1.96%
Acquisition Years 2005 - 2008	81.1%	44.3%	36.7%	12.2%	33.9%	62.1%	—	20.4%	13.2%
Weighted Average Origination Loan-to-Value Ratio	74.0%	81.3%	79.4%	104.8%	107.5%	77.7%	86.8%	85.0%	74.6%
Origination Loan-to-Value Ratio > 90%	7.9%	29.3%	23.5%	100.0%	100.0%	14.2%	39.9%	43.4%	15.8%
Weighted Average Mark-to-Market Loan-to-Value Ratio	86.1%	75.7%	73.0%	89.8%	97.7%	78.3%	70.8%	74.6%	63.4%
Mark-to-Market Loan-to-Value Ratio > 100% and <= 125%	20.5%	12.0%	9.8%	13.8%	25.4%	15.1%	7.9%	8.6%	3.7%
Mark-to-Market Loan-to-Value Ratio > 125%	8.9%	5.2%	4.1%	5.4%	12.5%	6.6%	2.6%	3.3%	1.3%
Weighted Average FICO [(2)]	723	584	642	728	584	713	738	719	744
FICO < 620 [(2)]	1.5%	100.0%	—	4.7%	100.0%	2.3%	4.3%	7.0%	2.5%
Fixed-rate	23.9%	82.4%	84.5%	94.9%	86.9%	64.9%	98.7%	88.3%	91.9%
Primary Residence	85.3%	94.8%	93.0%	91.2%	94.7%	76.9%	85.0%	88.8%	88.1%
Condo/Co-op	15.0%	4.8%	6.1%	10.2%	5.9%	9.9%	9.5%	9.1%	9.4%
Credit Enhanced [(5)]	13.7%	23.9%	21.2%	58.8%	57.9%	11.6%	12.5%	28.6%	15.7%

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

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

(3) Our Refi Plus initiative, which started in April 2009, includes the Home Affordable Refinance Program ("HARP"). Our Refi Plus initiative provides expanded refinance opportunities for eligible Fannie Mae borrowers, and may involve the refinance of existing Fannie Mae loans with high loan-to-value ratios, including loans with loan-to-value ratios in excess of 100%.

(4) Excludes non-Fannie Mae securities held in portfolio and those Alt-A and subprime wraps for which Fannie Mae does not have loan-level information. Fannie Mae had access to detailed loan-level information for approximately 99% of its single-family conventional guaranty book of business as of September 30, 2014.

(5) Unpaid principal balance of all loans with credit enhancement as a percentage of unpaid principal balance of single-family conventional guaranty book of business for which Fannie Mae had access to loan-level information.

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Credit Characteristics of Single-Family Conventional Guaranty Book of Business and Single-Family Real Estate Owned (REO) in Select States

	SF Conventional Guaranty Book of Business as of September 30, 2014 [1]				Seriously Delinquent Loans as of September 30, 2014 [2]		Real Estate Owned (REO)				% of YTD 2014 Credit Losses [4]
	UPB ($ in Billions)	% of Total	Weighted Average Mark-to-Market LTV	Mark-to-Market LTV > 100%	Seriously Delinquent Loan Share [2]	SDQ Rate [2]	Q3 2014 Acquisitions (# of Properties)	Q3 2014 Dispositions (# of Properties)	REO Ending Inventory as of September 30, 2014	Average Days to Foreclosure [3]	
Select States [5]											
California	$548.1	19.6%	54.1%	3.6%	5.1%	0.73%	1,156	1,565	3,881	761	-1.3%
Florida	$156.1	5.6%	73.7%	18.3%	16.1%	4.87%	6,778	7,551	20,616	1,366	33.7%
Texas	$154.8	5.5%	60.3%	0.2%	2.9%	0.87%	694	936	1,915	648	—
New York	$154.3	5.5%	58.4%	3.5%	10.0%	4.20%	650	377	1,830	1,381	4.6%
Illinois	$113.8	4.1%	70.7%	10.1%	5.6%	2.46%	2,024	2,341	9,947	899	10.9%
New Jersey	$111.3	4.0%	67.4%	8.1%	9.7%	5.83%	893	506	2,745	1,346	6.7%
Washington	$98.8	3.5%	63.7%	3.7%	2.2%	1.43%	935	976	2,646	1,045	3.6%
Virginia	$98.7	3.5%	63.5%	3.4%	1.5%	1.00%	487	583	1,473	622	1.7%
Pennsylvania	$84.9	3.0%	65.4%	2.9%	4.5%	2.46%	1,153	1,108	3,151	958	4.1%
Massachusetts	$84.7	3.0%	59.8%	1.9%	2.9%	2.29%	339	220	1,202	1,050	0.9%
Region [6]											
Midwest	$415.6	14.9%	68.1%	5.2%	15.7%	1.63%	6,125	7,917	25,478	709	21.1%
Northeast	$529.9	19.0%	63.1%	4.4%	32.0%	3.58%	4,070	3,241	12,643	1,138	22.2%
Southeast	$616.5	22.1%	68.2%	8.0%	31.2%	2.55%	11,553	13,225	36,121	1,102	47.5%
Southwest	$449.1	16.1%	63.7%	2.6%	9.6%	1.02%	2,911	4,140	8,264	637	4.1%
West	$778.7	27.9%	57.2%	4.2%	11.5%	1.05%	3,139	3,685	9,880	944	5.1%
Total	$2,789.8	100.0%	63.4%	5.0%	100.0%	1.96%	27,798	32,208	92,386	955	100.0%

(1) Based on the unpaid principal balance (UPB) of the single-family conventional guaranty book of business as of September 30, 2014. Excludes non-Fannie Mae securities held in portfolio and those Alt-A and subprime wraps for which Fannie Mae does not have loan-level information. Fannie Mae had access to detailed loan-level information for approximately 99% of its single-family conventional guaranty book of business as of September 30, 2014.

(2) "Seriously delinquent loans" refers to single-family conventional loans that are 90 days or more past due or in the foreclosure process. "Seriously delinquent loan share" refers to the percentage of our single-family seriously delinquent loan population in the applicable state or region. "SDQ rate" refers to the number of single-family conventional loans that were seriously delinquent in the applicable state or region, divided by the number of loans in our single-family conventional guaranty book of business in that state or region.

(3) Measured from the borrowers' last paid installment on their mortgages to when the related properties were added to our REO inventory for foreclosures completed during the first nine months of 2014. Fannie Mae incurs additional costs associated with property taxes, hazard insurance, and legal fees while a delinquent loan remains in the foreclosure process. Additionally, the longer a loan remains in the foreclosure process, the longer it remains in our guaranty book of business as a seriously delinquent loan. Home Equity Conversion Mortgages (HECMs) insured by HUD are excluded from this calculation.

(4) Expressed as a percentage of credit losses for the single-family guaranty book of business. Credit losses consist of (a) charge-offs, net of recoveries and (b) foreclosed property income, adjusted to exclude the impact of fair value losses resulting from credit-impaired loans acquired from MBS trusts. Negative values are the result of recoveries on previously recognized credit losses. For information on total credit losses, refer to Fannie Mae's 2014 Q3 Form 10-Q.

(5) Select states represent the top ten states in UPB of the single-family conventional guaranty book of business as of September 30, 2014.

(6) For information on which states are included in each region, refer to Fannie Mae's 2014 Q3 Form 10-Q.

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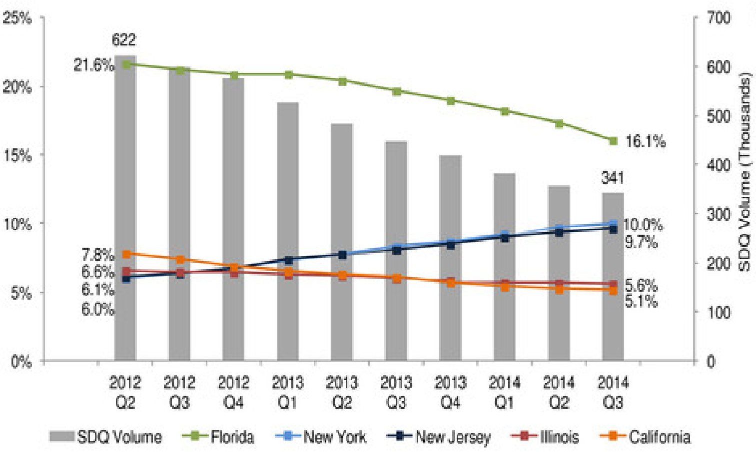
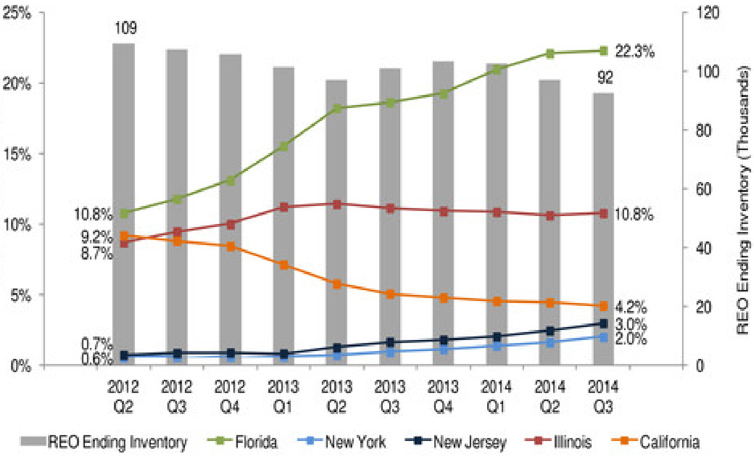
Seriously Delinquent Loan and REO Ending Inventory Share by Select States (1)

Seriously Delinquent Loan Share by Select States (2)



REO Ending Inventory Share by Select States (3)



Our single-family serious delinquency rate and the period of time that loans remain seriously delinquent continue to be negatively impacted by the length of time required to complete a foreclosure. High levels of foreclosures, changes in state foreclosure laws, new federal and state servicing requirements imposed by regulatory actions and legal settlements, and the need for servicers to adapt to these changes have lengthened the time it takes to foreclose on a mortgage loan in many states. Longer foreclosure timelines result in these loans remaining in our book of business for a longer time, which has caused our serious delinquency rate to decrease more slowly in the last few years than it would have if the pace of foreclosures had been faster.

(1) Based on states with the largest volume of seriously delinquent loans in our single-family conventional guaranty book of business as of September 30, 2014.

(2) "Seriously delinquent loan share" refers to the percentage of our single-family seriously delinquent loan population in the applicable state.

(3) Share of REO ending inventory calculated as the number of properties in the single-family REO ending inventory for the state divided by the total number of single-family properties in the REO ending inventory for the specified time period.

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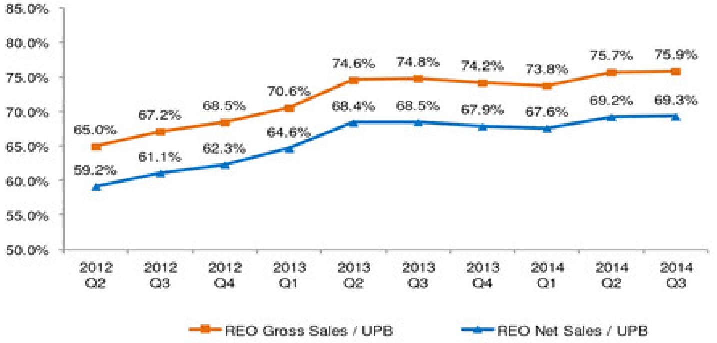
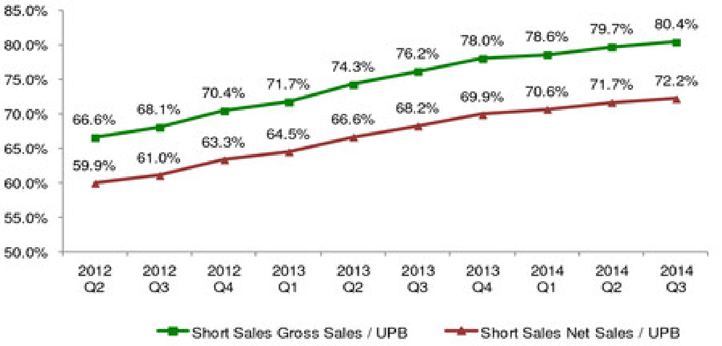
Single-Family Short Sales and REO Sales Price / UPB of Mortgage Loans

REO (1) Direct Sale Dispositions: Sales Price / UPB (2)



Short Sales: Sales Price / UPB (2)



Gross Sales Price/UPB Trends for Top 10 States (3)

REO Gross Sales Price / UPB	Q3 2013	Q4 2013	Q1 2014	Q2 2014	Q3 2014
Florida	70.7%	72.0%	70.1%	72.5%	74.2%
Illinois	63.2%	64.5%	64.8%	67.1%	67.6%
Michigan	67.8%	66.7%	66.1%	69.2%	66.2%
Ohio	64.6%	61.9%	59.4%	61.2%	63.5%
California	86.7%	86.8%	86.3%	88.2%	87.7%
Georgia	77.3%	75.3%	76.1%	80.6%	82.2%
Pennsylvania	70.1%	67.8%	65.9%	66.3%	66.3%
Washington	83.5%	79.7%	83.5%	84.6%	86.3%
North Carolina	80.6%	79.2%	79.2%	82.3%	81.7%
Arizona	80.0%	79.7%	79.8%	79.6%	80.4%

Short Sales Gross Sales Price / UPB	Q3 2013	Q4 2013	Q1 2014	Q2 2014	Q3 2014
Florida	71.3%	73.6%	75.6%	76.3%	77.1%
California	78.7%	81.4%	82.4%	83.8%	84.3%
Illinois	70.5%	72.7%	71.7%	74.2%	75.6%
New Jersey	72.2%	73.0%	70.6%	74.8%	73.9%
Nevada	70.1%	73.6%	72.1%	75.7%	76.4%
Washington	81.4%	82.9%	84.4%	85.0%	86.7%
New York	78.6%	76.0%	77.1%	77.4%	79.1%
Maryland	73.3%	74.7%	74.0%	76.8%	77.9%
Arizona	78.2%	79.2%	80.6%	80.3%	82.1%
Georgia	76.6%	79.5%	80.4%	78.7%	81.2%

(1) Includes REO properties that have been sold to a third party (excluding properties that have been repurchased by the seller/servicer, acquired by a mortgage insurance company, redeemed by a borrower, or sold through the FHFA Rental Pilot).

(2) Sales Price / UPB is calculated as the sum of sales proceeds received divided by the aggregate unpaid principal balance (UPB) of the related loans. Gross sales price represents the contract sale price. Net sales price represents the contract sale price less charges/credits paid by or due to the seller or other parties at closing.

(3) The states shown had the greatest volume of properties sold in the first nine months of 2014 in each respective category.

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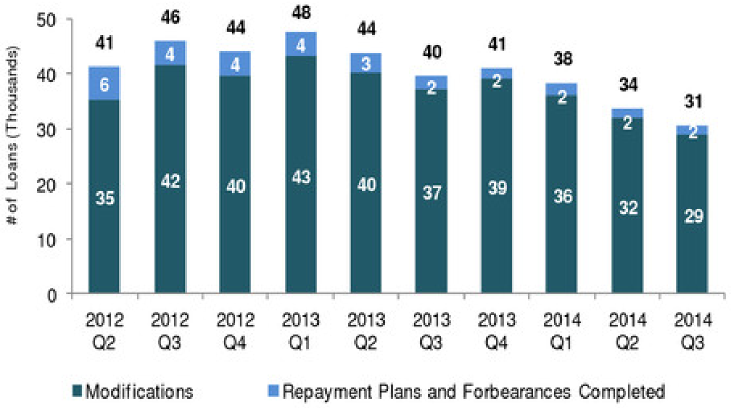
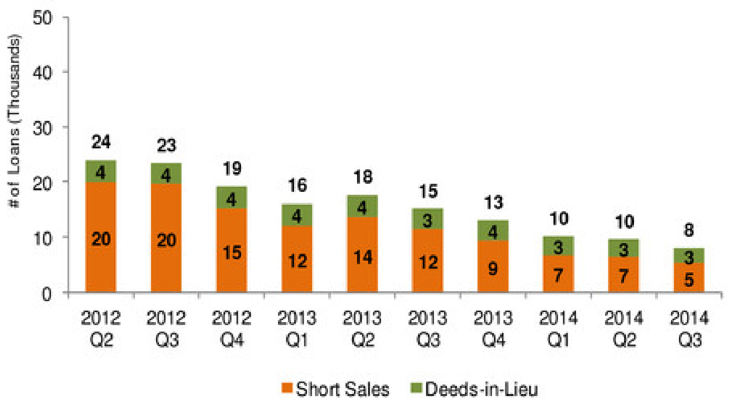
Single-Family Loan Workouts

Home Retention Strategies [(1)]



Foreclosure Alternatives [(2)]



(1) Consists of (a) modifications, which do not include trial modifications, loans to certain borrowers who have received bankruptcy relief that are classified as TDRs, or repayment plans or forbearances that have been initiated but not completed and (b) repayment plans and forbearances completed.

(2) Consists of (a) short sales, in which the borrower, working with the servicer and Fannie Mae, sells the home prior to foreclosure for less than the amount owed to pay off the loan, accrued interest and other expenses from the sale proceeds and (b) deeds-in-lieu of foreclosure, which involve the borrower's voluntarily signing over title to the property.

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

	2011 Q3	2011 Q4	2012 Q1	2012 Q2	2012 Q3	2012 Q4	2013 Q1	2013 Q2	2013 Q3	2013 Q4	2014 Q1	2014 Q2
Modifications (2)	60,025	51,936	46,671	35,332	41,697	39,712	43,153	40,358	37,337	39,159	36,044	32,010
% Current or Paid Off												
3 months post modification	83%	84%	85%	84%	84%	85%	86%	83%	83%	84%	83%	79%
6 months post modification	79%	79%	78%	77%	80%	82%	79%	77%	79%	79%	76%	n/a
9 months post modification	76%	74%	73%	76%	78%	78%	76%	75%	76%	74%	n/a	n/a
12 months post modification	72%	71%	73%	75%	76%	76%	75%	74%	73%	n/a	n/a	n/a
15 months post modification	70%	71%	73%	74%	74%	75%	74%	71%	n/a	n/a	n/a	n/a
18 months post modification	70%	71%	72%	73%	75%	75%	72%	n/a	n/a	n/a	n/a	n/a
21 months post modification	71%	71%	72%	74%	75%	74%	n/a	n/a	n/a	n/a	n/a	n/a
24 months post modification	71%	71%	73%	75%	74%	n/a	n/a	n/a	n/a	n/a	n/a	n/a

(1) Excludes loans that were classified as subprime adjustable rate mortgages that were modified into fixed rate mortgages. Modifications include permanent modifications, but do not reflect loans currently in trial modifications.

(2) Defined as total number of completed modifications for the time periods noted.

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Credit Loss Concentration of Single-Family Conventional Guaranty Book of Business

	% of Single-Family Conventional Guaranty Book of Business (1)						% of Single-Family Credit Losses (2)					
	2014	2013	2012	2011	2010	2009	2014	2013	2012	2011	2010	2009
Certain Product Features (3)												
Negative Amortizing Loans	0.2%	0.2%	0.3%	0.3%	0.4%	0.5%	0.8%	0.8%	0.5%	1.2%	1.9%	2.0%
Interest Only Loans	2.6%	2.9%	3.7%	4.7%	5.6%	6.6%	0.2%	18.7%	21.8%	25.8%	28.6%	32.6%
Loans with FICO < 620 (4)	2.5%	2.6%	2.9%	3.2%	3.5%	3.9%	11.9%	7.0%	7.8%	7.9%	8.0%	8.8%
Loans with FICO ≥ 620 and < 660 (4)	5.5%	5.5%	6.0%	6.7%	7.4%	8.2%	17.2%	15.7%	14.2%	14.7%	15.1%	15.5%
Loans with Origination LTV Ratio > 90%	15.8%	15.1%	12.8%	10.0%	9.4%	9.4%	13.1%	20.8%	16.8%	14.0%	15.9%	19.2%
Loans with FICO < 620 and Origination LTV Ratio > 90% (4)	0.7%	0.7%	0.7%	0.7%	0.8%	0.9%	2.7%	2.0%	2.3%	2.2%	2.7%	3.4%
Alt-A Loans (5)	4.3%	4.7%	5.6%	6.6%	7.6%	8.9%	14.5%	26.0%	23.7%	27.3%	33.2%	39.6%
Subprime Loans	0.1%	0.1%	0.2%	0.2%	0.2%	0.3%	1.4%	-0.2%	1.1%	0.6%	1.1%	1.5%
Refi Plus Including HARP	19.4%	19.5%	16.5%	11.2%	7.1%	2.5%	10.2%	7.4%	3.5%	1.4%	0.1%	—
Vintages												
2009 - 2014	79.5%	76.2%	65.3%	51.6%	39.0%	22.0%	13.4%	10.0%	5.1%	2.4%	0.4%	—
2005 - 2008	12.8%	14.7%	21.7%	30.4%	38.0%	48.7%	75.1%	77.6%	81.8%	82.9%	87.9%	88.1%
2004 & Prior	7.8%	9.1%	13.1%	18.0%	23.0%	29.2%	11.5%	12.4%	13.1%	14.8%	11.7%	11.9%
Select States (6)												
Florida	5.6%	5.7%	6.0%	6.3%	6.6%	7.0%	33.7%	28.9%	21.4%	11.0%	17.5%	15.5%
Illinois	4.1%	4.1%	4.2%	4.3%	4.3%	4.3%	10.9%	12.9%	9.6%	3.5%	4.3%	4.2%
New Jersey	4.0%	4.0%	4.0%	4.0%	4.0%	3.9%	6.7%	3.7%	2.0%	0.8%	1.2%	1.2%
Maryland	2.8%	2.8%	2.8%	2.9%	2.8%	2.8%	5.5%	3.1%	1.8%	0.6%	1.9%	2.0%
New York	5.5%	5.6%	5.6%	5.6%	5.5%	5.3%	4.6%	1.9%	0.9%	0.6%	0.8%	0.8%
Ohio	2.1%	2.1%	2.2%	2.3%	2.4%	2.6%	4.3%	4.1%	3.3%	2.1%	2.2%	2.2%
Pennsylvania	3.0%	3.1%	3.1%	3.0%	3.0%	3.0%	4.1%	3.0%	1.6%	0.8%	0.8%	0.8%
Washington	3.5%	3.5%	3.5%	3.5%	3.5%	3.4%	3.6%	3.7%	2.5%	3.2%	1.5%	1.1%
Connecticut	1.3%	1.4%	1.4%	1.4%	1.4%	1.4%	2.8%	1.4%	0.9%	0.3%	0.4%	0.4%
Michigan	2.4%	2.4%	2.5%	2.5%	2.6%	2.7%	1.7%	3.2%	4.5%	5.8%	6.3%	7.4%
All Other States	65.6%	65.4%	64.7%	64.2%	63.9%	63.6%	22.1%	34.2%	51.7%	71.2%	63.1%	64.4%

(1) Based on the unpaid principal balance (UPB) of the single-family conventional guaranty book of business as of December 31 for the time periods noted, with the exception of 2014 which is as of September 30, 2014.

(2) Based on the single-family credit losses for the year ended December 31 for the time periods noted, with the exception of 2014 which is through September 30, 2014. Credit losses consist of (a) charge-offs, net of recoveries and (b) foreclosed property income, adjusted to exclude the impact of fair value losses resulting from credit-impaired loans acquired from MBS trusts. Does not reflect the impact of recoveries that have not been allocated to specific loans. Negative values are the result of recoveries on previously recognized credit losses.

(3) Loans with multiple product features are included in all applicable categories. Categories are not mutually exclusive.

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

(5) Newly originated Alt-A loans acquired after 2008 consist of the refinance of existing loans under our Refi Plus Initiative.

(6) Select states represent the top ten states with the highest percentage of single-family credit losses for the nine months ended September 30, 2014.

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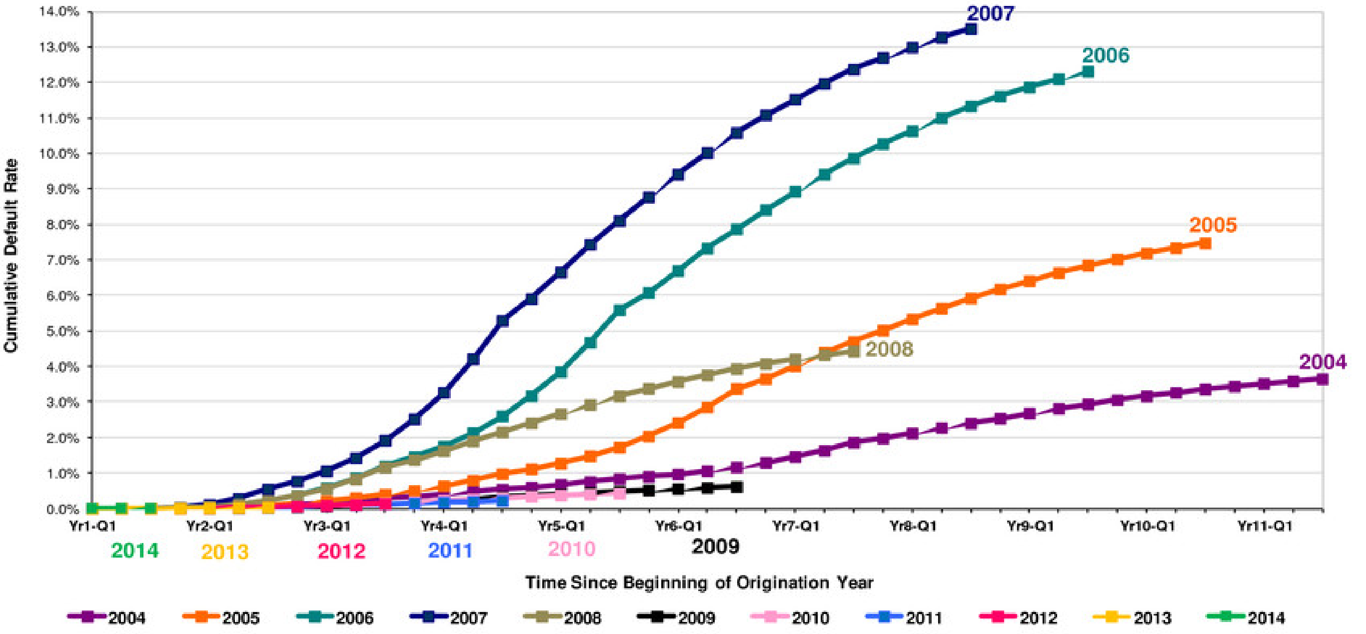
Cumulative Default Rates of Single-Family Conventional Guaranty Book of Business by Origination Year



Note: Defaults consist of loan liquidations other than through voluntary pay-off or repurchase by lenders and include loan foreclosures, short sales, sales to third parties and deeds-in-lieu of foreclosure. Cumulative Default Rate is the total number of single-family conventional loans in the guaranty book of business originated in the identified year that have defaulted, divided by the total number of single-family conventional loans in the guaranty book of business originated in the identified year.

Data as of September 30, 2014 is not necessarily indicative of the ultimate performance of the loans and performance is likely to change, perhaps materially, in future periods.

Multifamily Credit Profile by Loan Attributes

As of September 30, 2014	Loan Counts	Unpaid Principal Balance ($ in Billions)	% of Multifamily Guaranty Book of Business (UPB)	% Seriously Delinquent (1)	YTD 2014 Multifamily Credit Losses ($ in Millions) (2)(3)	2013 Multifamily Credit Losses ($ in Millions) (2)(3)	2012 Multifamily Credit Losses ($ in Millions) (3)	2011 Multifamily Credit Losses ($ in Millions) (3)
Total Multifamily Guaranty Book of Business	33,223	$198.4	100%	0.09%	$(41)	$52	$257	$409
Credit Enhanced Loans:								
Credit Enhanced	30,402	$182.8	92%	0.09%	$(37)	$0	$189	$340
Non-Credit Enhanced	2,821	$15.6	8%	0.09%	$(4)	$52	$68	$69
Origination loan-to-value ratio: (4)								
Less than or equal to 70%	21,291	$110.8	56%	0.04%	$(10)	$24	$37	$74
Greater than 70% and less than or equal to 80%	9,864	$81.4	41%	0.16%	$(33)	$18	$182	$287
Greater than 80%	2,068	$6.3	3%	0.05%	$3	$10	$38	$49
Delegated Underwriting and Servicing (DUS ®) Loans: (5)								
DUS ® - Small Balance Loans (6)	8,555	$16.1	8%	0.14%	$11	$3	$19	$37
DUS ® - Non Small Balance Loans	12,641	$165.4	83%	0.07%	$(59)	$(14)	$182	$295
DUS ® - Total	**21,196**	**$181.5**	**91%**	**0.07%**	**$(48)**	**$(11)**	**$201**	**$333**
Non-DUS - Small Balance Loans (6)	11,442	$8.2	4%	0.43%	$8	$23	$41	$49
Non-DUS - Non Small Balance Loans	585	$8.7	5%	0.06%	$(1)	$41	$15	$27
Non-DUS - Total	**12,027**	**$17.0**	**9%**	**0.24%**	**$7**	**$63**	**$56**	**$76**
Maturity Dates:								
Loans maturing in 2014	156	$1.5	1%	0.67%	$(1)	$(9)	$31	$19
Loans maturing in 2015	2,096	$9.4	5%	0.03%	$(3)	$(1)	$20	$23
Loans maturing in 2016	2,346	$12.3	6%	0.21%	$5	$17	$30	$32
Loans maturing in 2017	3,428	$16.8	8%	0.34%	$(9)	$42	$84	$87
Loans maturing in 2018	2,976	$16.9	9%	0.13%	$(4)	$0	$35	$86
Other maturities	22,221	$141.5	71%	0.04%	$(29)	$2	$57	$162
Loan Size Distribution:								
Less than or equal to $750K	7,807	$2.2	1%	0.41%	$4	$7	$13	$19
Greater than $750K and less than or equal to $3M	11,175	$16.9	9%	0.25%	$18	$33	$45	$66
Greater than $3M and less than or equal to $5M	4,374	$16.0	8%	0.18%	$(11)	$2	$31	$44
Greater than $5M and less than or equal to $25M	8,438	$87.6	44%	0.11%	$(43)	$(18)	$141	$205
Greater than $25M	1,429	$75.7	38%	—	$(9)	$29	$28	$75

(1) We classify multifamily loans as seriously delinquent when payment is 60 days or more past due.

(2) Negative values are the result of recoveries on previously recognized credit losses.

(3) Dollar amount of multifamily credit-related losses/(income) for the applicable period and category. Total credit losses for each period will not tie to sum of all categories due to rounding. Multifamily credit losses for 2011 exclude $19 million of credit-related income from other multifamily mortgage business investments.

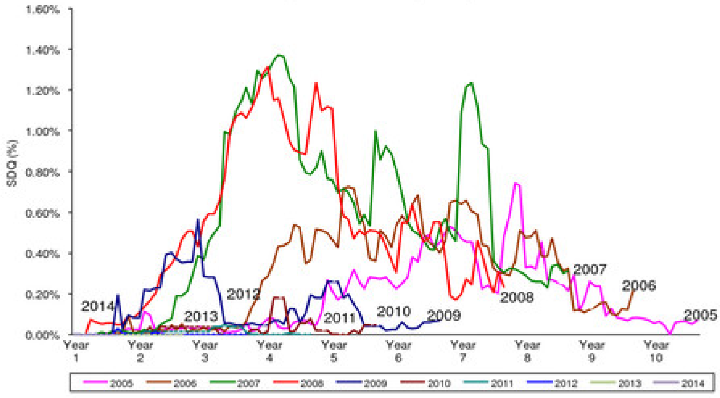
(4) Weighted average origination loan-to-value ratio is 66% as of September 30, 2014.

(5) Under the Delegated Underwriting and Servicing, or DUS ®, product line, 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 our pre-review.

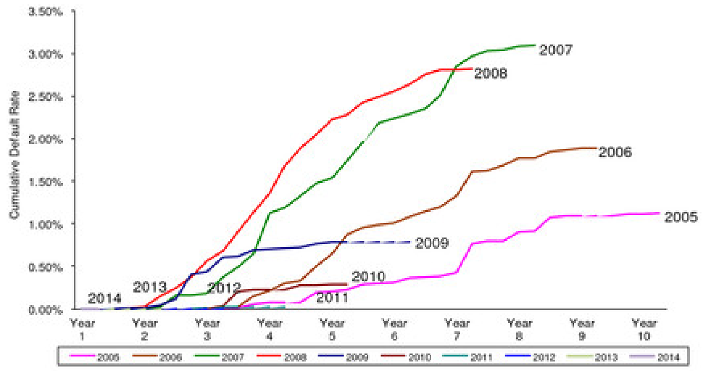
(6) Multifamily loans with an original unpaid balance of up to $3 million nationwide or up to $5 million in high cost markets.

Multifamily Credit Profile by Acquisition Year

Multifamily SDQ Rate by Acquisition Year



Cumulative Defaults by Acquisition Year



As of September 30, 2014	Unpaid Principal Balance ($ in Billions)	% of Multifamily Guaranty Book of Business (UPB)	% Seriously Delinquent (1)	# of Seriously Delinquent loans (1)	YTD 2014 Multifamily Credit Losses ($ in Millions) (2)(3)	2013 Multifamily Credit Losses ($ in Millions) (2)(3)	2012 Multifamily Credit Losses ($ in Millions) (3)	2011 Multifamily Credit Losses ($ in Millions) (3)
Total Multifamily Guaranty Book of Business	$198.4	100%	0.09%	79	$(41)	$52	$257	$409
By Acquisition Year:								
2014	$17.2	9%	—	—	—	—	—	—
2013	$28.6	14%	—	—	—	—	—	—
2012	$31.9	16%	—	—	$0	$0	—	—
2011	$21.5	11%	—	—	$0	$(1)	$0	—
2010	$15.1	8%	0.04%	2	$0	$7	$1	—
2009	$14.7	7%	0.07%	4	$(4)	$(14)	$17	$26
2008	$16.2	8%	0.23%	22	$(3)	$(6)	$60	$126
2007	$21.0	11%	0.31%	24	$(9)	$50	$123	$135
2006	$12.4	6%	0.21%	9	$11	$23	$25	$27
Prior to 2006	$19.7	10%	0.14%	18	$(36)	$(7)	$32	$95

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(2) Negative values are the result of recoveries on previously recognized credit losses.

(3) Dollar amount of multifamily credit-related losses/(income) for the applicable period and category. Total credit losses for each period will not tie to sum of all categories due to rounding. Multifamily credit losses for 2011 exclude $19 million of credit-related income from other multifamily mortgage business investments.

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Multifamily Credit Profile

As of September 30, 2014	Unpaid Principal Balance ($ in Billions)	% of Multifamily Guaranty Book of Business (UPB)	% Seriously Delinquent (1)	YTD 2014 Multifamily Credit Losses ($ in Millions) (2)(3)	2013 Multifamily Credit Losses ($ in Millions) (2)(3)	2012 Multifamily Credit Losses ($ in Millions) (3)	2011 Multifamily Credit Losses ($ in Millions) (2)(3)
Total Multifamily Guaranty Book of Business	$198.4	100%	0.09%	$(41)	$52	$257	$409
Region: (4)							
Midwest	$17.2	9%	0.25%	$(2)	$(20)	$40	$93
Northeast	$37.6	19%	0.08%	$3	$(4)	$25	$11
Southeast	$43.6	22%	0.09%	$(18)	$6	$138	$173
Southwest	$38.9	20%	0.10%	$(22)	$(16)	$19	$105
West	$61.1	31%	0.03%	$(3)	$87	$35	$26
Top Five States by UPB:							
California	$47.1	24%	0.02%	$(2)	$4	$4	$5
New York	$22.4	11%	0.06%	$1	$1	$7	$(1)
Texas	$20.4	10%	0.20%	$(34)	$(8)	$6	$77
Florida	$10.8	5%	0.09%	$(3)	$11	$92	$40
Washington	$7.3	4%	0.01%	$0	$1	$0	$0
Asset Class: (5)							
Conventional/Co-op	$176.8	89%	0.10%	$(35)	$52	$242	$393
Seniors Housing	$12.7	6%	—	—	—	—	—
Manufactured Housing	$5.4	3%	—	$(2)	$0	$7	$1
Student Housing	$3.5	2%	—	$(4)	$1	$7	$16
Targeted Affordable Segment:							
Privately Owned with Subsidy (6)	$29.4	15%	0.06%	$(3)	$(8)	$9	$55
DUS & Non-DUS Lenders/Servicers:							
DUS: Bank (Direct, Owned Entity, or Subsidiary)	$77.1	39%	0.06%	$(21)	$6	$55	$129
DUS: Non-Bank Financial Institution	$113.0	57%	0.09%	$(24)	$39	$180	$271
Non-DUS: Bank (Direct, Owned Entity, or Subsidiary)	$7.2	4%	0.25%	$1	$2	$17	$6
Non-DUS: Non-Bank Financial Institution	$1.0	0%	—	$4	$5	$6	$4
Non-DUS: Public Agency/Non Profit	$0.2	0%	—	—	$0	$0	$(1)

(1) We classify multifamily loans as seriously delinquent when payment is 60 days or more past due.

(2) Negative values are the result of recoveries on previously recognized credit losses.

(3) Dollar amount of multifamily credit-related losses/(income) for the applicable period and category. Total credit losses for each period will not tie to sum of all categories due to rounding. Multifamily credit losses for 2011 exclude $19 million of credit-related income from other multifamily mortgage business investments.

(4) For information on which states are included in each region, refer to Fannie Mae's 2014 Q3 Form 10-Q.

(5) Conventional Multifamily/Cooperative Housing/Affordable Housing: Conventional Multifamily is a loan secured by a residential property comprised of five or more dwellings which offers market rental rates (i.e., not subsidized or subject to rent restrictions). Cooperative Housing is a multifamily loan made to a cooperative housing corporation and secured by a first or subordinated lien on a cooperative multifamily housing project that contains five or more units. Affordable Housing is a multifamily loan on a mortgaged property encumbered by a regulatory agreement or recorded restriction that limits rents, imposes income restrictions on tenants or places other restrictions on the use of the property. Manufactured Housing Communities: A multifamily loan secured by a residential development that consists of sites for manufactured homes and includes utilities, roads and other infrastructure. In some cases, landscaping and various other amenities such as a clubhouse, swimming pool, and tennis and/or sports courts are also included. Seniors Housing: A multifamily loan secured by a mortgaged property that is intended to be used for residents for whom the owner or operator provides special services that are typically associated with either "independent living" or "assisted living." Some Alzheimer's and skilled nursing capabilities are permitted. Dedicated Student Housing: Multifamily loans secured by residential properties in which college or graduate students make up at least 80% of the tenants. Dormitories are not included.

(6) The Multifamily Affordable Business Channel focuses on financing properties that are under a regulatory agreement that provides long-term affordability, such as properties with rent subsidies or income restrictions.

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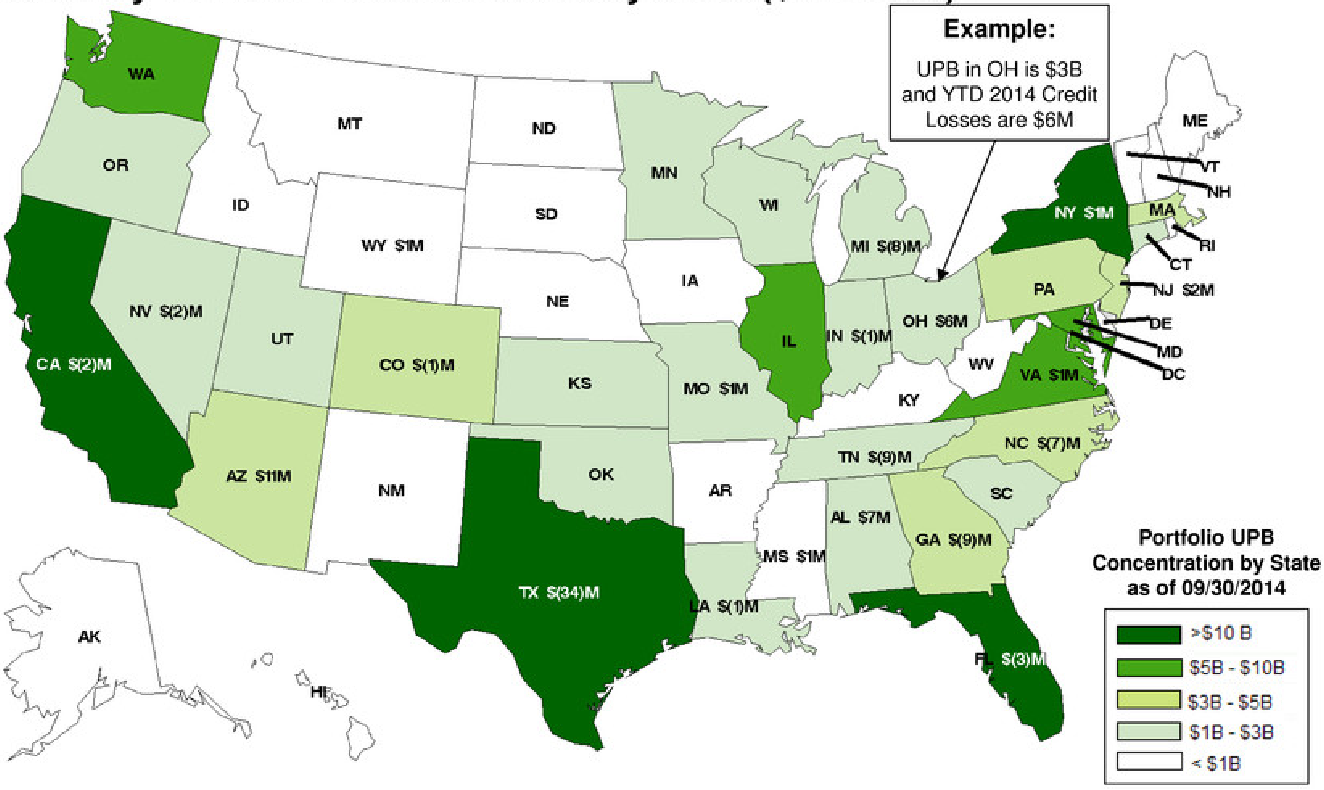
Multifamily YTD 2014 Credit Losses by State ($ Millions) (1)



Numbers: Represent YTD 2014 credit-related losses/(income) for each state which totaled $41M in income as of September 30, 2014. States with no numbers had less than $500K in credit losses or less than $500K in credit-related income YTD 2014.
Shading: Represent Unpaid Principal Balance (UPB) for each state which totaled $198.4B as of September 30, 2014.

(1) Total state credit losses will not tie to total YTD 2014 credit losses due to rounding. Negative values are the result of recoveries on previously recognized credit losses.