UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, DC 20549

FORM 8-K

CURRENT REPORT

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

Date of Report (Date of earliest event reported): February 19, 2016

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 February 19, 2016, Fannie Mae filed its annual report on Form 10-K for the year ended December 31, 2015 and issued a news release reporting its financial results for the periods covered by the Form 10-K. The news release, a copy of which is furnished as Exhibit 99.1 to this report, is incorporated herein by reference. A copy of the news release may also be found on Fannie Mae’s website, www.fanniemae.com, in the “About Us” section under “Investor Relations/Quarterly and Annual Results.” Information appearing on the company’s website is not incorporated into this report.

Item 7.01 Regulation FD Disclosure.

On February 19, 2016, Fannie Mae posted to its website a 2015 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. A copy of the presentation may also be found on Fannie Mae’s website, www.fanniemae.com, in the “About Us” section under “Investor Relations/Quarterly and Annual Results.”

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: February 19, 2016

EXHIBIT INDEX

The following exhibits are submitted herewith:

Exhibit Number	**Description of Exhibit**
99.1	News release, dated February 19, 2016
99.2	2015 Credit Supplement presentation, dated February 19, 2016

Resource Center: 1-800-732-6643

Exhibit 99.1

Contact: Pete Bakel
202-752-2034

Date: February 19, 2016

Fannie Mae Reports Net Income of $11.0 Billion and Comprehensive Income of $10.6 Billion for 2015

Company Reports Net Income of $2.5 Billion and Comprehensive Income of $2.3 Billion for Fourth Quarter 2015

- Fannie Mae paid a total of $10.3 billion in dividends to Treasury in 2015. The company expects to pay Treasury $2.9 billion in dividends in March 2016. With the expected March 2016 dividend payment, Fannie Mae will have paid a total of $147.6 billion in dividends to Treasury. Dividend payments do not reduce prior Treasury draws, which total $116.1 billion.
- Fannie Mae provided approximately $516 billion in liquidity to the mortgage market in 2015, including approximately $116 billion in liquidity in the fourth quarter of 2015, enabling families to buy, refinance, or rent homes.
- Fannie Mae helped distressed families retain their homes or avoid foreclosure through approximately 122,000 workout solutions in 2015, including approximately 25,000 loan workouts during the fourth quarter of 2015.
- Fannie Mae continued to increase the role of private capital in the mortgage market and reduce taxpayer risk through its Connecticut Avenue Securities™ (CAS), Credit Insurance Risk Transfer™ (CIRT™), and other types of risk sharing transactions. Through 2015, Fannie Mae had transferred a significant portion of the mortgage credit risk on over $500 billion in unpaid principal balance of mortgage loans pursuant to these transactions.

WASHINGTON, DC — Fannie Mae (FNMA/OTC) reported annual net income of $11.0 billion and annual comprehensive income of $10.6 billion in 2015. For the fourth quarter of 2015, Fannie Mae reported net income of $2.5 billion and comprehensive income of $2.3 billion. The company reported a positive net worth of $4.1 billion as of December 31, 2015, resulting in a dividend obligation to Treasury of $2.9 billion, which the company expects to pay in March 2016.

“Our strong 2015 results demonstrate our commitment to improving both our company and the broader housing finance system,” said Timothy J. Mayopoulos, president and chief executive officer. “We are listening closely to our customers so we deliver industry-leading solutions that make doing business with us easier, more efficient, and more certain. We are evolving our business model so we better serve the industry and taxpayers, and fulfill our essential role in making affordable mortgage and rental options available for millions of people across the country.”

Full Year 2015 Results - Fannie Mae's 2015 net income of $11.0 billion declined from $14.2 billion in 2014. The decrease in 2015 net income was due primarily to:

- A substantial reduction in income resulting from settlement agreements resolving certain lawsuits relating to private-label mortgage-related securities sold to Fannie Mae
- Decreases in mortgage interest rates had a significant positive impact on the company's benefit for credit losses in 2014, while changes in interest rates were not a primary driver of the company's 2015 benefit for credit losses
- Increased expenses relating to the company's single-family foreclosed properties
- The decrease in 2015 net income was partially offset by lower fair value losses for the year due to smaller decreases in longer-term interest rates negatively impacting the value of the company's risk management derivatives

Fourth Quarter 2015 Results - Fannie Mae's fourth quarter 2015 net income of $2.5 billion increased from $2.0 billion in the third quarter of 2015. The increase in fourth quarter 2015 net income was due primarily to:

- Fair value gains in the fourth quarter of 2015 due primarily to increases in longer-term interest rates positively impacting the value of the company's risk management derivatives, compared with fair value losses in the third quarter of 2015
- The increase in fourth quarter 2015 net income was partially offset by a provision for credit losses due primarily to an increase in mortgage interest rates, a slight decline in home prices, and the redesignation of certain nonperforming loans from held-for-investment to held-for-sale, compared with a benefit for credit losses in the third quarter of 2015

SUMMARY OF FOURTH QUARTER AND FULL YEAR 2015 RESULTS

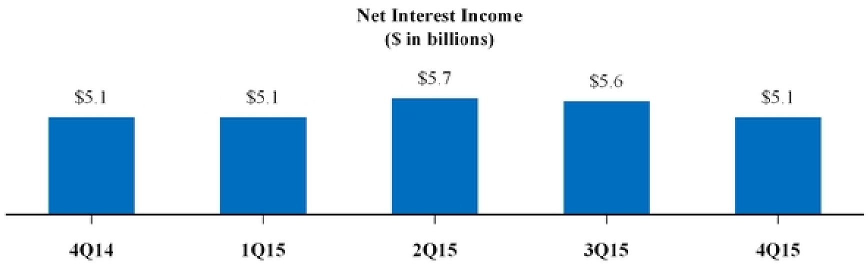
Summary of Financial Results

(Dollars in millions)	4Q15	3Q15	Variance	2015	2014	Variance
Net interest income	$ 5,077	$ 5,588	$ (511)	$ 21,409	$ 19,968	$ 1,441
Fee and other income	225	259	(34)	1,348	5,887	(4,539)
Net revenues	5,302	5,847	(545)	22,757	25,855	(3,098)
Investment gains, net	181	299	(118)	1,336	936	400
Fair value gains (losses), net	135	(2,589)	2,724	(1,767)	(4,833)	3,066
Administrative expenses	(686)	(952)	266	(3,050)	(2,777)	(273)
Credit-related income (expense)						
Benefit (provision) for credit losses	(255)	1,550	(1,805)	795	3,964	(3,169)
Foreclosed property expense	(477)	(497)	20	(1,629)	(142)	(1,487)
Total credit-related income (expense)	(732)	1,053	(1,785)	(834)	3,822	(4,656)
Temporary Payroll Tax Cut Continuation Act of 2011 (“TCCA”) fees	(429)	(413)	(16)	(1,621)	(1,375)	(246)
Other expenses, net	(201)	(215)	14	(613)	(478)	(135)
Income before federal income taxes	3,570	3,030	540	16,208	21,150	(4,942)
Provision for federal income taxes	(1,103)	(1,070)	(33)	(5,253)	(6,941)	1,688
Net income	2,467	1,960	507	10,955	14,209	(3,254)
Less: Net income attributable to the noncontrolling interest	(1)	—	(1)	(1)	(1)	—
Net income attributable to Fannie Mae	$ 2,466	$ 1,960	$ 506	$ 10,954	$ 14,208	$ (3,254)
Total comprehensive income attributable to Fannie Mae	$ 2,260	$ 2,213	$ 47	$ 10,628	$ 14,738	$ (4,110)
Dividends distributed or available for distribution to senior preferred stockholder	$ (2,859)	$ (2,202)	$ (657)	$ (11,216)	$ (15,323)	$ 4,107

Net revenues, which consist of net interest income and fee and other income, were $5.3 billion for the fourth quarter of 2015, compared with $5.8 billion for the third quarter of 2015. For the year, net revenues were $22.8 billion, compared with $25.9 billion in 2014. The decline in net revenues in 2015 was driven by a decline in fee and other income, partially offset by an increase in net interest income.

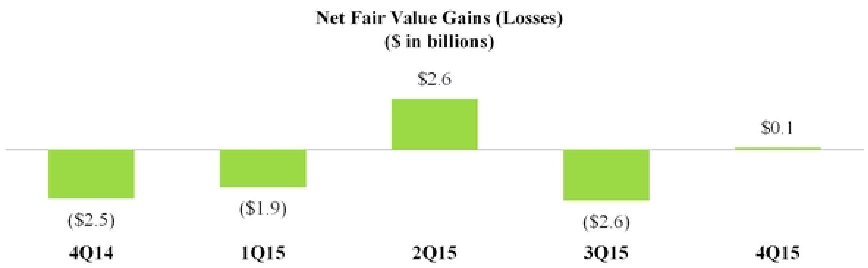
Net interest income, which includes guaranty fee revenue, was $5.1 billion for the fourth quarter of 2015, compared with $5.6 billion for the third quarter of 2015. For the year, net interest income was $21.4 billion for 2015, compared with $20.0 billion for 2014. The increase in net interest income in 2015 compared with 2014 was due primarily to an increase in loan prepayment activity in 2015 as a result of a lower interest rate environment in the first half of the year.

An increasing portion of Fannie Mae’s net interest income 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 impact of guaranty fee increases implemented in 2012 and the reduction of the retained mortgage portfolio. In 2015, approximately two-thirds of the company’s net interest income was derived from its guaranty business. The company expects that guaranty fees will continue to account for an increasing portion of its net interest income.



Fee and other income was $225 million for the fourth quarter of 2015, compared with $259 million for the third quarter of 2015. For the year, fee and other income was $1.3 billion for 2015, compared with $5.9 billion for 2014. Fee and other income decreased in 2015 compared with 2014 due primarily to higher revenue recognized in 2014 as a result of settlement agreements resolving certain lawsuits relating to private-label mortgage-related securities sold to Fannie Mae.

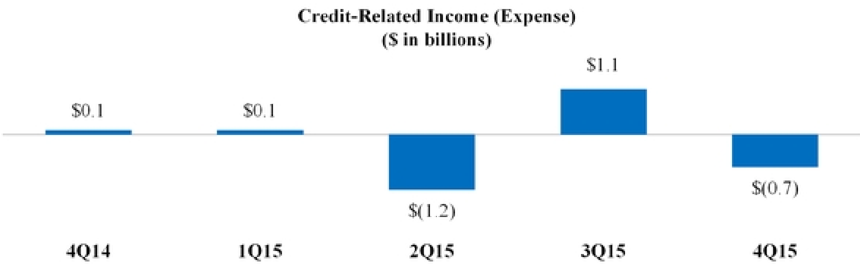
Net fair value gains were $135 million in the fourth quarter of 2015, compared with losses of $2.6 billion in the third quarter of 2015. Net fair value gains in the fourth quarter of 2015 were due primarily to increases in longer-term interest rates positively impacting the value of the company's risk management derivatives. For the year, net fair value losses were $1.8 billion, compared with losses of $4.8 billion in 2014. The company recorded net fair value losses for the year due primarily to declines in longer-term interest rates negatively 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 and credit spreads, implied volatility, and activity related to these financial instruments.



Credit-related expense, which consists of a provision or benefit for credit losses and foreclosed property expense or income, was $732 million in the fourth quarter of 2015, compared with credit-related income of $1.1 billion in the third quarter of 2015. Credit-related expense in the fourth quarter was due primarily to a provision for credit losses driven by an increase in mortgage interest rates, a slight decline in home prices, and the redesignation of certain nonperforming loans from held-for-investment to held-for-sale in connection with the company's plans to sell these loans, which resulted in the company adjusting these loans to the lower of their cost or fair value.

For the year, credit-related expense was $834 million, compared with credit-related income of $3.8 billion in 2014. This shift was driven primarily by a lower benefit for credit losses and higher foreclosed property expense in 2015. The reduction in the company's benefit for credit losses in 2015 as compared with 2014 was driven primarily by decreases in mortgage interest rates in 2014, which decreased the impairment on the company's individually impaired loans related to concessions provided on its modified loans and resulted in an increase in the benefit for credit losses in 2014. Changes in interest rates were not a primary driver of our 2015 benefit for credit losses. In addition, although home prices increased in both 2014 and 2015, home price increases had a smaller impact on the benefit for credit losses in 2015 compared with 2014, due primarily to the smaller number of nonperforming loans held for investment in the company's guaranty book of business in 2015 as compared with 2014. Also contributing to the lower benefit for credit losses in 2015 was the company's redesignation of certain nonperforming single-family loans from held-for-investment to held-for-sale in connection with its plans to sell these loans.

Foreclosed property expense increased in 2015 compared with 2014 due primarily to higher operating expenses relating to property tax and insurance costs on the company's single-family foreclosed properties and a decrease in the amount of income from the resolution of compensatory fees and representation and warranty matters.



VARIABILITY OF FINANCIAL RESULTS

Fannie Mae expects to remain profitable on an annual basis for the foreseeable future; however, certain factors, such as changes in interest rates or home prices, could result in significant volatility in our financial results from quarter to quarter and year to year. Fannie Mae's future financial results also will be affected by a number of other factors, including: the company's guaranty fee rates; the volume of single-family mortgage originations in the future; the size, composition, and quality of its retained mortgage portfolio and guaranty book of business; and economic and housing market conditions. The company's expectations for its future financial results do not take into account the impact on its business of potential future legislative or regulatory changes, which could have a material impact on the company's financial results, particularly the enactment of housing finance reform legislation. For additional information on factors that affect the company's financial results, please refer to "Executive Summary" in the company's annual report on Form 10-K for the year ended December 31, 2015 (the "2015 Form 10-K").

SUMMARY OF FOURTH QUARTER AND FULL YEAR 2015 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 Fannie Mae's vision to be America's most valued housing partner and to provide liquidity, access to credit and affordability in all U.S. housing markets at all times, while effectively managing and reducing risk to Fannie Mae's business, taxpayers, and the housing finance system. In support of this vision, Fannie Mae is focused on: advancing a sustainable and reliable business model that reduces risk to the housing finance system and taxpayers; providing reliable, large-scale access to affordable mortgage credit for qualified borrowers and helping struggling homeowners; and serving customer needs and improving the company's business efficiency.

Business Segments

(Dollars in millions)	4Q15	3Q15	Variance	2015	2014	Variance
Single-Family Segment:						
Guaranty fee income	$ 3,199	$ 3,145	$ 54	$ 12,476	$ 11,702	$ 774
Credit-related income (expense)	(819)	1,029	(1,848)	(1,035)	3,625	(4,660)
TCCA fees	(429)	(413)	(16)	(1,621)	(1,375)	(246)
Other	(564)	(682)	118	(2,197)	(1,977)	(220)
Income before federal income taxes	1,387	3,079	(1,692)	7,623	11,975	(4,352)
Provision for federal income taxes	(451)	(1,040)	589	(2,491)	(3,496)	1,005
Net income	$ 936	$ 2,039	$ (1,103)	$ 5,132	$ 8,479	$ (3,347)
Multifamily Segment:						
Guaranty fee income	$ 375	$ 367	$ 8	$ 1,439	$ 1,297	$ 142
Credit-related income	87	24	63	201	197	4
Other	(9)	(50)	41	114	127	(13)
Income before federal income taxes	453	341	112	1,754	1,621	133
Provision for federal income taxes	(119)	(17)	(102)	(247)	(158)	(89)
Net income	$ 334	$ 324	$ 10	$ 1,507	$ 1,463	$ 44
Capital Markets Segment:						
Net interest income	$ 1,312	$ 1,401	$ (89)	$ 5,828	$ 7,243	$ (1,415)
Investment gains, net	860	1,608	(748)	5,539	6,378	(839)
Fair value gains (losses), net	63	(2,697)	2,760	(2,049)	(5,476)	3,427
Other	(444)	(322)	(122)	(1,319)	3,256	(4,575)
Income (loss) before federal income taxes	1,791	(10)	1,801	7,999	11,401	(3,402)
Provision for federal income taxes	(533)	(13)	(520)	(2,515)	(3,287)	772
Net income (loss)	$ 1,258	$ (23)	$ 1,281	$ 5,484	$ 8,114	$ (2,630)

Single-Family Business

- Single-Family net income was $936 million in the fourth quarter of 2015, compared with $2.0 billion in the third quarter of 2015. The decrease in net income in the fourth quarter compared to the third quarter was driven by a shift to credit-related expense in the fourth quarter from credit-related income in the third quarter. For the year, the Single-Family business had net income of $5.1 billion, compared with $8.5 billion in 2014. The decrease in annual net income was driven by a shift to credit-related expense in 2015 from credit-related income in 2014.
- Single-Family guaranty fee income was $12.5 billion in 2015, compared with $11.7 billion in 2014. Single-Family guaranty fee income increased in 2015 compared with 2014 as loans with higher guaranty fees became a larger part of the company's Single-Family guaranty book of

business in 2015 due to the cumulative impact of guaranty fee price increases implemented in 2012. The Single-Family guaranty book of business was $2.83 trillion as of December 31, 2015 and $2.85 trillion as of December 31, 2014.

- Single-Family credit-related expense was $819 million in the fourth quarter of 2015, compared with credit-related income of $1.0 billion in the third quarter of 2015. Credit-related expense in the fourth quarter was due primarily to a provision for credit losses. For the year, Single-Family credit-related expense was $1.0 billion, compared with credit-related income of $3.6 billion in 2014. The shift to credit-related expense in 2015 was driven by a lower benefit for credit losses and higher foreclosed property expense.

Multifamily Business

- Multifamily net income was $334 million in the fourth quarter of 2015, compared with $324 million in the third quarter of 2015. The increase in net income in the fourth quarter compared to the third quarter was driven primarily by an increase in credit-related income. For the year, Multifamily net income was $1.5 billion for both 2015 and 2014.
- Multifamily guaranty fee income was $375 million for the fourth quarter of 2015, compared with $367 million for the third quarter of 2015. For the year, Multifamily guaranty fee income was $1.4 billion in 2015 compared with $1.3 billion in 2014. Multifamily guaranty fee income increased in 2015 compared with 2014 as loans with higher guaranty fees have become a larger part of the company's Multifamily guaranty book of business, while loans with lower guaranty fees continue to liquidate. The Multifamily guaranty book of business was $213.4 billion as of December 31, 2015 compared with $203.3 billion as of December 31, 2014.
- Multifamily credit-related income was $87 million for the fourth quarter of 2015, compared with $24 million for the third quarter of 2015. The increase in credit-related income in the fourth quarter compared to the third quarter was driven primarily by larger gains on the sale of REO properties. For the year, Multifamily credit-related income was $201 million compared with $197 million in 2014. Credit-related income remained relatively consistent in 2015 compared with 2014 as both years were driven by gains on the disposition of REO properties and improvements in the allowance for loan losses as a result of continued stability of multifamily market fundamentals.

Capital Markets

- Capital Markets net income was $1.3 billion in the fourth quarter of 2015, compared with a net loss of $23 million in the third quarter of 2015. The shift to net income in the fourth quarter was driven primarily by fair value gains on the company's risk management derivatives, compared with fair value losses in the prior quarter, partially offset by decreases in net investment gains and net interest income. The group had net income of $5.5 billion for the year, compared with $8.1 billion for 2014. The decline in annual net income in 2015 was due primarily to a shift to other expense from other income and decreases in net interest income and net investment gains, partially offset by lower fair value losses.
- Capital Markets other expense was $444 million for the fourth quarter of 2015, compared with other expense of $322 million for the third quarter of 2015. For the year, Capital Markets other expense was $1.3 billion compared with other income of $3.3 billion in 2014. The shift to other expense in 2015 from other income in 2014 was due primarily to higher revenue recognized in 2014 as a result of settlement agreements resolving certain lawsuits relating to private-label mortgage-related securities sold to Fannie Mae.

- Capital Markets net interest income was $1.3 billion for the fourth quarter of 2015, compared with $1.4 billion for the third quarter of 2015. For the year, Capital Markets net interest income was $5.8 billion compared with $7.2 billion in 2014. The decrease in annual net interest income in 2015 was due primarily to a decline in the average balance of the company's retained mortgage portfolio as the company continued to reduce this portfolio pursuant to the requirements of its senior preferred stock purchase agreement with Treasury and the Federal Housing Finance Agency's ("FHFA") additional portfolio cap.
- Capital Markets net investment gains were $860 million in the fourth quarter of 2015, compared with $1.6 billion in the third quarter of 2015. For the year, Capital Markets net investment gains were $5.5 billion compared with $6.4 billion in 2014. Investment gains decreased in 2015 compared with 2014 due primarily to lower gains on the sale of Fannie Mae MBS designated as available-for-sale securities as a result of an increase in interest rates in 2015.
- Capital Markets net fair value gains were $63 million in the fourth quarter of 2015, compared with net fair value losses of $2.7 billion in the third quarter of 2015. Net fair value gains in the fourth quarter of 2015 were due primarily to increases in longer-term interest rates positively impacting the value of the company's risk management derivatives. For the year, Capital Markets net fair value losses were $2.0 billion compared with fair value losses of $5.5 billion in 2014. The group recorded net fair value losses for the year due primarily to declines in longer-term interest rates negatively impacting the value of the company's risk management derivatives.
- Capital Markets retained mortgage portfolio balance decreased to $345.1 billion as of December 31, 2015, compared with $413.3 billion as of December 31, 2014, resulting from purchases of $252.2 billion and liquidations and sales of $320.4 billion during the year.

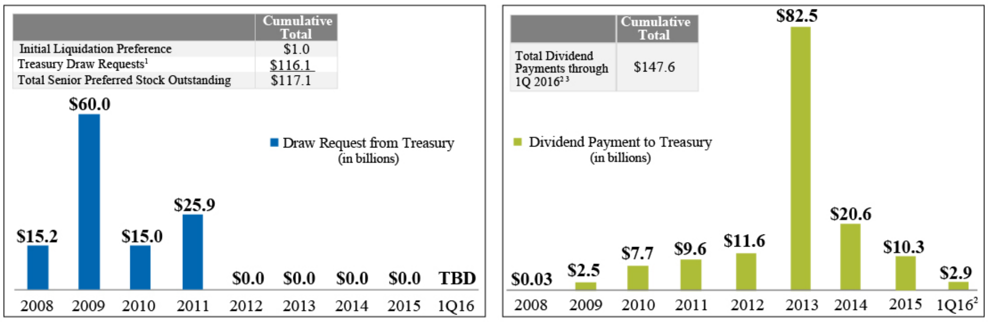
BUILDING A SUSTAINABLE HOUSING FINANCE SYSTEM

In addition to continuing to provide liquidity and support to the mortgage market, Fannie Mae has invested significant resources toward helping to maintain a safer and sustainable housing finance system for today and build a safer and 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, credit availability and foreclosure prevention activities 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 infrastructure for use by Fannie Mae and Freddie Mac 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 December 31, 2015, Fannie Mae has requested cumulative draws totaling $116.1 billion and paid $144.8 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 first quarter of 2016 calculated based on the company's net worth of $4.1 billion as of December 31, 2015 less a capital reserve amount of $1.2 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 $1.2 billion for each quarter of 2016 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. If the company were to draw additional funds from Treasury under the agreement in a future period, the amount of remaining funding under the agreement would be reduced by the amount of the company's draw. Dividend payments Fannie Mae makes to Treasury do not restore or increase the amount of funding available to the company under the agreement.

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 2015 Form 10-K.

CREDIT RISK TRANSFER TRANSACTIONS

In late 2013, Fannie Mae began entering into credit risk transfer transactions with the goal of transferring, to the extent economically sensible, a portion of the existing mortgage credit risk on some of the recently acquired loans in its single-family book of business in order to reduce the economic risk to the company and taxpayers of future borrower defaults. Fannie Mae's primary method of achieving this goal has been through the issuance of its Connecticut Avenue Securities™ (CAS) and its Credit Insurance Risk Transfer™ (CIRT™) transactions.

These transactions transfer a portion of the mortgage credit risk associated with losses on specified reference pools of single-family mortgage loans to investors in CAS or to panels of reinsurers or insurers in CIRT transactions. As of December 31, 2015, the company had completed a total of nine CAS transactions since the CAS program began in 2013 and seven CIRT transactions since the CIRT program began in 2014. Approximately 15 percent of the loans in the company's single-family conventional guaranty book of business as of December 31, 2015, measured by unpaid principal balance, were included in a reference pool for a CAS or CIRT transaction. The company also has executed other types of risk sharing transactions in addition to its CAS and CIRT transactions, including structures that transfer first loss risk. In the aggregate, Fannie Mae's credit risk transfer transactions completed through year end 2015 transferred a significant portion of the mortgage credit risk on single-family mortgages with an unpaid principal balance of over $500 billion.

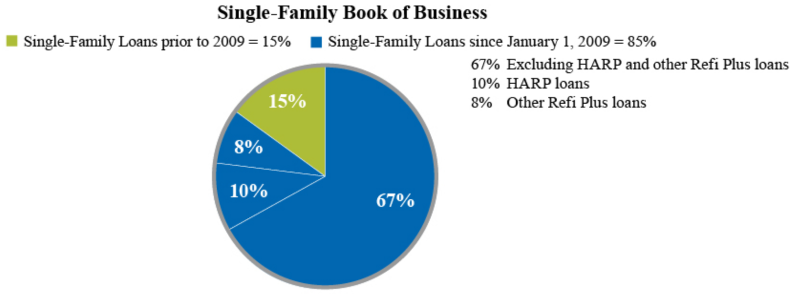
Fannie Mae has transferred a significant portion of the mortgage credit risk on over 95 percent of the single-family loans it acquired during the twelve months ended November 2014 in its targeted loan categories for its credit risk transfer transactions. Loan categories the company has targeted for credit risk transfer transactions generally consist of fixed-rate 30-year single-family conventional loans that meet certain credit performance characteristics, are non-Refi Plus, and have loan-to-value ratios between 60 percent and 97 percent. Based on their characteristics at the time the company acquired them, over 50 percent of the single-family loans the company acquired during the twelve months ended November 2014 were included in loan categories the company has targeted for credit risk transfer transactions. The portion of the company's single-family loan acquisitions it includes in credit risk transfer transactions can vary from period to period based on market conditions and other factors.

These transactions increase the role of private capital in the mortgage market and reduce the risk to Fannie Mae's business, taxpayers, and the housing finance system. The company intends to continue to engage in credit risk transfer transactions on an ongoing basis, subject to market conditions. Over time, the company expects that a larger portion of its single-family conventional guaranty book of business will be covered by credit risk transfer transactions.

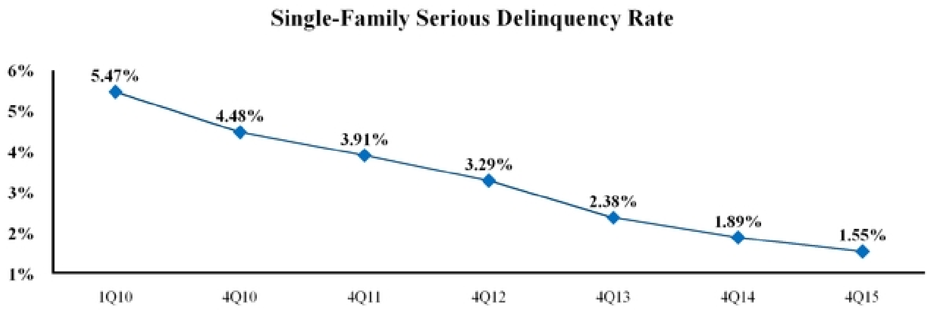
CREDIT QUALITY

While continuing to make it possible for families to buy, refinance, or rent homes, 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 to promote sustainable homeownership and stability in the housing market. Fannie Mae actively monitors the credit risk profile and credit performance of the company's single-family loan acquisitions, in conjunction with housing market and economic conditions, to determine if its pricing, eligibility, and underwriting criteria accurately reflects the risks associated with loans the company acquires or guarantees. Single-family conventional loans acquired by Fannie Mae in 2015 had a weighted average borrower FICO credit score at origination of 748 and a weighted average original loan-to-value ratio of 75 percent.

Fannie Mae's single-family conventional guaranty book of business as of December 31, 2015 consisted of single-family loans acquired prior to 2009; non-Refi Plus™ loans acquired beginning in 2009; loans acquired through the Administration's Home Affordable Refinance Program® ("HARP®"); and other loans acquired pursuant to the company's Refi Plus initiative, excluding HARP loans. The company's 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 for 23 consecutive quarters since the first quarter of 2010, and was 1.55 percent as of December 31, 2015, compared with 5.47 percent as of March 31, 2010. This decrease is primarily the result of home retention solutions, foreclosure alternatives and completed foreclosures, improved loan payment performance, and the company's acquisition of loans with stronger credit profiles since the beginning of 2009. 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 in some states. Longer foreclosure timelines result in these loans remaining in the company's book of business for a longer time, which has caused the company's serious delinquency rate to decrease more slowly in the last few years than it would have if the pace of foreclosures had been faster. The slow pace of foreclosures in certain areas of the country has negatively affected the company's single-family serious delinquency rates, foreclosure timelines, and financial results, and may continue to do so. Other factors such as the pace of loan modifications, the timing and volume of future nonperforming loan sales the company makes, servicer performance, changes in home prices, unemployment levels, and other macroeconomic conditions also influence serious delinquency rates.



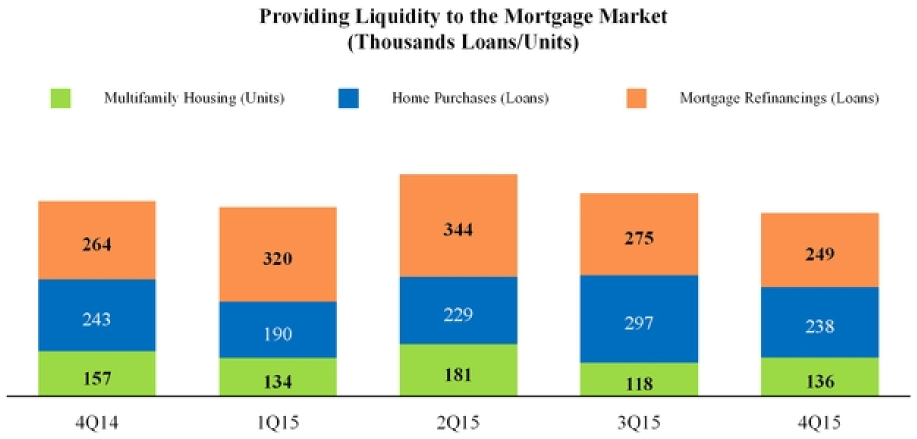
Total Loss Reserves, which reflect the company's estimate of the probable losses the company has incurred in its guaranty book of business, including concessions it granted borrowers upon modification of their loans, decreased to $28.8 billion as of December 31, 2015 from $38.2 billion as of December 31, 2014. The decrease in the company's total loss reserves during 2015 was primarily driven by the company's approach to adopting the charge-off provisions of FHFA's Advisory Bulletin AB 2012-12; the change in the company’s accounting policy related to the treatment of accrued interest receivable; improvement in home prices; liquidations of mortgage loans; and the company’s redesignation of certain nonperforming single-family loans from held-for-investment to held-for-sale, which relieved the allowance on these loans. The company’s loss reserves have declined substantially from their peak and are expected to decline further.

PROVIDING LIQUIDITY AND SUPPORT TO THE MARKET

Liquidity

Fannie Mae provided approximately $516 billion in liquidity to the mortgage market in 2015, including approximately $116 billion in liquidity in the fourth quarter of 2015, through its purchases and guarantees of loans, which resulted in:

- 954,000 home purchases in 2015, including approximately 238,000 in the fourth quarter of 2015
- 1,188,000 mortgage refinancings in 2015, including approximately 249,000 in the fourth quarter of 2015
- 569,000 units of multifamily housing in 2015, including approximately 136,000 in the fourth quarter of 2015

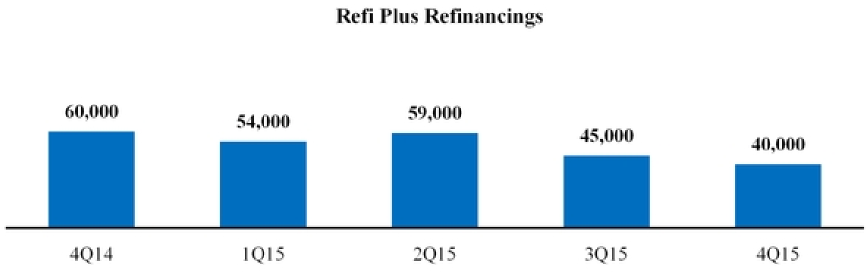


The company was one of the largest single issuers of single-family mortgage-related securities in the secondary market in the fourth quarter and full year of 2015, with an estimated market share of new single-family mortgage-related securities issuances of 36 percent in the fourth quarter and 37 percent for all of 2015, compared with 40 percent for all of 2014. The company's market share for single-family mortgage-related securities issuances decreased in 2015 compared with 2014 primarily as a result of competition from Ginnie Mae.

Fannie Mae also remained a continuous source of liquidity in the multifamily market in 2015. As of September 30, 2015 (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 approximately 40,000 loans in the fourth quarter of 2015 and approximately 198,000 loans for the full year of 2015. Refinancings delivered to Fannie Mae through Refi Plus in the fourth quarter of 2015 reduced borrowers' monthly mortgage payments by an average of $191. The company expects the volume of refinancings under HARP to continue to decline, due to 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 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 Year Ended December 31,					
	2015		2014		2013	
	Unpaid Principal Balance	Number of Loans	Unpaid Principal Balance	Number of Loans	Unpaid Principal Balance	Number of Loans
	(Dollars in millions)					
Home retention solutions:						
Modifications	$ 15,723	94,212	$ 20,686	122,823	$ 28,801	160,007
Repayment plans and forbearances completed	835	5,996	986	7,309	1,594	12,022
Total home retention solutions	16,558	100,208	21,672	130,132	30,395	172,029
Foreclosure alternatives:						
Short sales	3,033	14,716	4,795	23,188	9,786	46,570
Deeds-in-lieu of foreclosure	1,145	7,361	1,786	11,292	2,504	15,379
Total foreclosure alternatives	4,178	22,077	6,581	34,480	12,290	61,949
Total loan workouts	$ 20,736	122,285	$ 28,253	164,612	$ 42,685	233,978
Loan workouts as a percentage of single-family guaranty book of business	0.73%	0.71%	0.99%	0.94%	1.48%	1.33%

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 25,000 loan workouts during the fourth quarter of 2015 and approximately 122,000 for the full year of 2015 enabling borrowers to avoid foreclosure.
- Fannie Mae completed approximately 19,000 loan modifications during the fourth quarter of 2015 and approximately 94,000 for the full year of 2015.

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 Year Ended December 31,		
	2015	2014	2013
Single-family foreclosed properties (number of properties):			
Beginning of period inventory of single-family foreclosed properties (REO)	87,063	103,229	105,666
Total properties acquired through foreclosure	78,636	116,637	144,384
Dispositions of REO	(108,446)	(132,803)	(146,821)
End of period inventory of single-family foreclosed properties (REO)	57,253	87,063	103,229
Carrying value of single-family foreclosed properties (dollars in millions)	$ 6,608	$ 9,745	$ 10,334
Single-family foreclosure rate	0.45 %	0.67 %	0.82 %

- Fannie Mae acquired 16,750 single-family REO properties, primarily through foreclosure, in the fourth quarter of 2015, compared with 17,725 in the third quarter of 2015.
- As of December 31, 2015, the company's inventory of single-family REO properties was 57,253, compared with 60,958 as of September 30, 2015. The carrying value of the company's single-family REO was $6.6 billion as of December 31, 2015.
- The company's single-family foreclosure rate was 0.45 percent for the full year of 2015. This reflects the 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 full year of 2015 are available in the accompanying Annex; however, investors and interested parties should read the company's 2015 Form 10-K, which was filed today with the Securities and Exchange Commission and is available on Fannie Mae's website, www.fanniemae.com. The company provides further discussion of its financial results and condition, credit performance, and other matters in its 2015 Form 10-K. 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 "2015 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: its future dividend payments to Treasury; the impact of and future plans with respect to the company's credit risk transfer transactions; the sources of its future net interest income; the company's future profitability; the factors that will affect the company's future financial results; the factors that will affect the company's future single-family serious delinquency rates; the future volume of its HARP refinancings; the future fair value of the company's financial instruments; the company's future loss reserves; and the impact of the company's actions to reduce credit losses. These estimates, forecasts, expectations, and statements are forward-looking statements based on the company's current assumptions regarding numerous factors, including future interest rates and home prices, the future performance of its loans and the future guaranty fee rates applicable to the loans the company acquires. 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; the company's future guaranty fee pricing and the impact of that pricing on the company's guaranty fee revenues and competitive environment; government policy; credit availability; changes in borrower behavior, including increases in the number of underwater borrowers who strategically *default on their mortgage loans; the volume of loans it modifies; the effectiveness of its loss mitigation strategies; significant changes in modification and foreclosure activity; the volume and pace of future nonperforming loan sales and their impact on the company's results and serious delinquency rates; the effectiveness of its management of its real estate owned inventory and pursuit of contractual remedies; changes in the fair value of its assets and liabilities; future legislative or regulatory requirements or changes that have a significant impact on the company's business, such as the enactment of housing finance reform legislation; 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, in its role as its conservator or as its regulator, such as changes in the type of business the company does, a requirement that the company implement a principal forgiveness program or the implementation of a single GSE security; limitations on our business imposed by FHFA, in its role as the company's conservator or as its regulator; 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; 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; government investigations and litigation; the company's reliance on and the performance of the company's servicers; conditions in the foreclosure environment; global political risks; natural disasters, environmental 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, 2015, 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 homes.

Visit us at: www.fanniemae.com/progress

Follow us on Twitter: http://twitter.com/FannieMae

ANNEX
FANNIE MAE
(In conservatorship)
Consolidated Balance Sheets
(Dollars in millions, except share amounts)

	As of December 31,	
	2015	2014
ASSETS		
Cash and cash equivalents	$ 14,674	$ 22,023
Restricted cash (includes $25,865 and $27,515, respectively, related to consolidated trusts)	30,879	32,542
Federal funds sold and securities purchased under agreements to resell or similar arrangements	27,350	30,950
Investments in securities:		
Trading, at fair value	39,908	31,504
Available-for-sale, at fair value (includes $285 and $596, respectively, related to consolidated trusts)	20,230	30,654
Total investments in securities	60,138	62,158
Mortgage loans:		
Loans held for sale, at lower of cost or fair value	5,361	331
Loans held for investment, at amortized cost:		
Of Fannie Mae	233,054	272,360
Of consolidated trusts	2,809,180	2,782,344
Total loans held for investment (includes $14,075 and $15,629, respectively, at fair value)	3,042,234	3,054,704
Allowance for loan losses	(27,951)	(35,541)
Total loans held for investment, net of allowance	3,014,283	3,019,163
Total mortgage loans	3,019,644	3,019,494
Deferred tax assets, net	37,187	42,206
Accrued interest receivable, net (includes $6,974 and $7,169, respectively, related to consolidated trusts)	7,726	8,193
Acquired property, net	6,766	10,618
Other assets	17,553	19,992
Total assets	$ 3,221,917	$ 3,248,176
LIABILITIES AND EQUITY		
Liabilities:		
Accrued interest payable (includes $8,194 and $8,282, respectively, related to consolidated trusts)	$ 9,794	$ 10,232
Debt:		
Of Fannie Mae (includes $11,133 and $6,403, respectively, at fair value)	386,135	460,443
Of consolidated trusts (includes $23,609 and $19,483, respectively, at fair value)	2,811,536	2,761,712
Other liabilities (includes $448 and $503, respectively, related to consolidated trusts)	10,393	12,069
Total liabilities	3,217,858	3,244,456
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 shares outstanding	687	687
Accumulated deficit	(126,942)	(127,618)
Accumulated other comprehensive income	1,407	1,733
Treasury stock, at cost, 150,679,953 shares	(7,401)	(7,401)
Total Fannie Mae stockholders' equity	4,030	3,680
Noncontrolling interest	29	40
Total equity	4,059	3,720
Total liabilities and equity	$ 3,221,917	$ 3,248,176

See Notes to Consolidated Financial Statements in 2015 Form 10-K

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

	For the Year Ended December 31,		
	2015	2014	2013
Interest income:			
Trading securities	$ 444	$ 553	$ 779
Available-for-sale securities	1,156	1,622	2,357
Mortgage loans (includes $97,971, $101,835 and $101,448, respectively, related to consolidated trusts)	107,699	112,120	114,238
Other	143	110	175
Total interest income	109,442	114,405	117,549
Interest expense:			
Short-term debt	146	94	131
Long-term debt (includes $80,326, $85,835 and $84,751, respectively, related to consolidated trusts)	87,887	94,343	95,014
Total interest expense	88,033	94,437	95,145
Net interest income	21,409	19,968	22,404
Benefit for credit losses	795	3,964	8,949
Net interest income after benefit for credit losses	22,204	23,932	31,353
Investment gains, net	1,336	936	1,127
Fair value gains (losses), net	(1,767)	(4,833)	2,959
Fee and other income	1,348	5,887	3,930
Non-interest income	917	1,990	8,016
Administrative expenses:			
Salaries and employee benefits	1,319	1,321	1,218
Professional services	984	1,076	910
Occupancy expenses	182	203	189
Other administrative expenses	565	177	228
Total administrative expenses	3,050	2,777	2,545
Foreclosed property expense (income)	1,629	142	(2,839)
Temporary Payroll Cut Continuation Act of 2011 (“TCCA”) fees	1,621	1,375	1,001
Other expenses, net	613	478	95
Total expenses	6,913	4,772	802
Income before federal income taxes	16,208	21,150	38,567
Benefit (provision) for federal income taxes	(5,253)	(6,941)	45,415
Net income	10,955	14,209	83,982
Other comprehensive income (loss):			
Changes in unrealized gains on available-for-sale securities, net of reclassification adjustments and taxes	(763)	494	693
Other	437	36	126
Total other comprehensive income (loss)	(326)	530	819
Total comprehensive income	10,629	14,739	84,801
Less: Comprehensive income attributable to noncontrolling interest	(1)	(1)	(19)
Total comprehensive income attributable to Fannie Mae	$ 10,628	$ 14,738	$ 84,782
Net income	$ 10,955	$ 14,209	$ 83,982
Less: Net income attributable to noncontrolling interest	(1)	(1)	(19)
Net income attributable to Fannie Mae	$ 10,954	$ 14,208	$ 83,963
Dividends distributed or available for distribution to senior preferred stockholder	(11,216)	(15,323)	(85,419)
Net loss attributable to common stockholders	$ (262)	$ (1,115)	$ (1,456)
Loss per share: Basic and Diluted	$ (0.05)	$ (0.19)	$ (0.25)
Weighted-average common shares outstanding: Basic and Diluted	5,762	5,762	5,762

See Notes to Consolidated Financial Statements in 2015 Form 10-K

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

	For the Year Ended December 31,		
	2015	**2014**	**2013**
Cash flows provided by (used in) operating activities:			
Net income	$ 10,955	$ 14,209	$ 83,982
Reconciliation of net income to net cash provided by (used in) operating activities:			
Amortization of cost basis adjustments	(6,298)	(4,265)	(5,104)
Benefit for credit losses	(795)	(3,964)	(8,949)
Valuation gains	(510)	(2,159)	(2)
Current and deferred federal income taxes	4,083	4,126	(47,766)
Net change in trading securities	(10,153)	(2,666)	1,575
Net gains related to the disposition of acquired property and preforeclosure sales, including credit enhancements	(3,055)	(4,510)	(6,024)
Other, net	(900)	(2,109)	(4,809)
Net cash provided by (used in) operating activities	(6,673)	(1,338)	12,903
Cash flows provided by investing activities:			
Purchases of trading securities held for investment	—	—	(7,521)
Proceeds from maturities and paydowns of trading securities held for investment	768	1,358	2,491
Proceeds from sales of trading securities held for investment	1,104	1,668	14,585
Proceeds from maturities and paydowns of available-for-sale securities	4,394	5,853	10,116
Proceeds from sales of available-for-sale securities	8,249	3,265	15,497
Purchases of loans held for investment	(187,194)	(132,650)	(195,386)
Proceeds from repayments of loans acquired as held for investment of Fannie Mae	25,776	24,840	47,628
Proceeds from sales of loans acquired as held for investment of Fannie Mae	3,196	1,879	1,247
Proceeds from repayments and sales of loans acquired as held for investment of consolidated trusts	484,230	388,348	631,088
Net change in restricted cash	1,663	(3,547)	38,924
Advances to lenders	(118,746)	(100,045)	(139,162)
Proceeds from disposition of acquired property and preforeclosure sales	20,757	25,476	38,349
Net change in federal funds sold and securities purchased under agreements to resell or similar arrangements	3,600	8,025	(6,475)
Other, net	527	197	1,373
Net cash provided by investing activities	248,324	224,667	452,754
Cash flows used in financing activities:			
Proceeds from issuance of debt of Fannie Mae	443,371	380,282	372,361
Payments to redeem debt of Fannie Mae	(518,575)	(450,140)	(459,745)
Proceeds from issuance of debt of consolidated trusts	347,614	275,353	409,979
Payments to redeem debt of consolidated trusts	(511,158)	(405,505)	(707,544)
Payments of cash dividends on senior preferred stock to Treasury	(10,278)	(20,594)	(82,452)
Other, net	26	70	(145)
Net cash used in financing activities	(249,000)	(220,534)	(467,546)
Net increase (decrease) in cash and cash equivalents	(7,349)	2,795	(1,889)
Cash and cash equivalents at beginning of period	22,023	19,228	21,117
Cash and cash equivalents at end of period	$ 14,674	$ 22,023	$ 19,228
Cash paid during the period for:			
Interest	$ 104,928	$ 108,667	$ 109,240
Income taxes	1,170	2,815	2,350
Non-cash activities:			
Net mortgage loans acquired by assuming debt	$ 220,168	$ 190,151	$ 433,007
Net transfers from mortgage loans of Fannie Mae to mortgage loans of consolidated trusts	175,104	113,611	179,097
Transfers from advances to lenders to loans held for investment of consolidated trusts	114,851	93,909	137,074
Net transfers from mortgage loans to acquired property	17,534	24,742	34,024
Transfers of mortgage loans from held for investment to held for sale	8,601	2,194	1,341

See Notes to Consolidated Financial Statements in 2015 Form 10-K

FANNIE MAE
(In conservatorship)
Consolidated Statements of Changes in Equity
(Dollars and shares in millions)

	Fannie Mae Stockholders' Equity										
	Shares Outstanding										
	Senior Preferred	Preferred	Common	Senior Preferred Stock	Preferred Stock	Common Stock	Retained Earnings (Accumulated Deficit)	Accumulated Other Comprehensive Income (Loss)	Treasury Stock	Non Controlling Interest	Total Equity
Balance as of December 31, 2012	1	556	1,158	$ 117,149	$ 19,130	$ 687	$ (122,766)	$ 384	$ (7,401)	$ 41	$ 7,224
Change in investment in noncontrolling interest	—	—	—	—	—	—	—	—	—	(10)	(10)
Comprehensive income:											
Net income	—	—	—	—	—	—	83,963	—	—	19	83,982
Other comprehensive income, net of tax effect:											
Changes in net unrealized gains on available-for-sale securities (net of tax of $529)	—	—	—	—	—	—	—	983	—	—	983
Reclassification adjustment for gains included in net income (net of tax of $157)	—	—	—	—	—	—	—	(290)	—	—	(290)
Prior service cost and actuarial gains, net of amortization for defined benefit plans (net of tax of $68)	—	—	—	—	—	—	—	126	—	—	126
Total comprehensive income											84,801
Senior preferred stock dividends	—	—	—	—	—	—	(82,452)	—	—	—	(82,452)
Other	—	—	—	—	—	—	28	—	—	—	28
Balance as of December 31, 2013	1	556	1,158	117,149	19,130	687	(121,227)	1,203	(7,401)	50	9,591
Change in investment in noncontrolling interest	—	—	—	—	—	—	—	—	—	(11)	(11)
Comprehensive income:											
Net income	—	—	—	—	—	—	14,208	—	—	1	14,209
Other comprehensive income, net of tax effect:											
Changes in net unrealized gains on available-for-sale securities (net of tax of $389)	—	—	—	—	—	—	—	722	—	—	722
Reclassification adjustment for gains included in net income (net of tax of $123)	—	—	—	—	—	—	—	(228)	—	—	(228)
Prior service cost and actuarial gains, net of amortization for defined benefit plans (net of tax of $20)	—	—	—	—	—	—	—	36	—	—	36
Total comprehensive income											14,739
Senior preferred stock dividends	—	—	—	—	—	—	(20,594)	—	—	—	(20,594)
Other	—	—	—	—	—	—	(5)	—	—	—	(5)
Balance as of December 31, 2014	1	556	1,158	117,149	19,130	687	(127,618)	1,733	(7,401)	40	3,720
Change in investment in noncontrolling interest	—	—	—	—	—	—	—	—	—	(12)	(12)
Comprehensive income:											
Net income	—	—	—	—	—	—	10,954	—	—	1	10,955
Other comprehensive income, net of tax effect:											
Changes in net unrealized gains on available-for-sale securities (net of tax of $151)	—	—	—	—	—	—	—	(280)	—	—	(280)
Reclassification adjustment for gains included in net income (net of tax of $253)	—	—	—	—	—	—	—	(483)	—	—	(483)
Prior service cost and actuarial losses, net of amortization for defined benefit plans and other, net of tax	—	—	—	—	—	—	—	437	—	—	437
Total comprehensive income											10,629
Senior preferred stock dividends	—	—	—	—	—	—	(10,278)	—	—	—	(10,278)
Balance as of December 31, 2015	1	556	1,158	$ 117,149	$ 19,130	$ 687	$ (126,942)	$ 1,407	$ (7,401)	$ 29	$ 4,059

See Notes to Consolidated Financial Statements in 2015 Form 10-K

Exhibit 99.2

Fannie Mae
2015 Credit Supplement

February 19, 2016

- This presentation includes information about Fannie Mae, including information contained in Fannie Mae's Annual Report on Form 10-K for the year ended December 31, 2015, the "2015 Form 10-K." Some of the terms used in these materials are defined and discussed more fully in the 2015 Form 10-K. These materials should be reviewed together with the 2015 Form 10-K, which is 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%).

- Unless otherwise indicated data labeled as "2015" is as of December 31, 2015 or for the full year of 2015.

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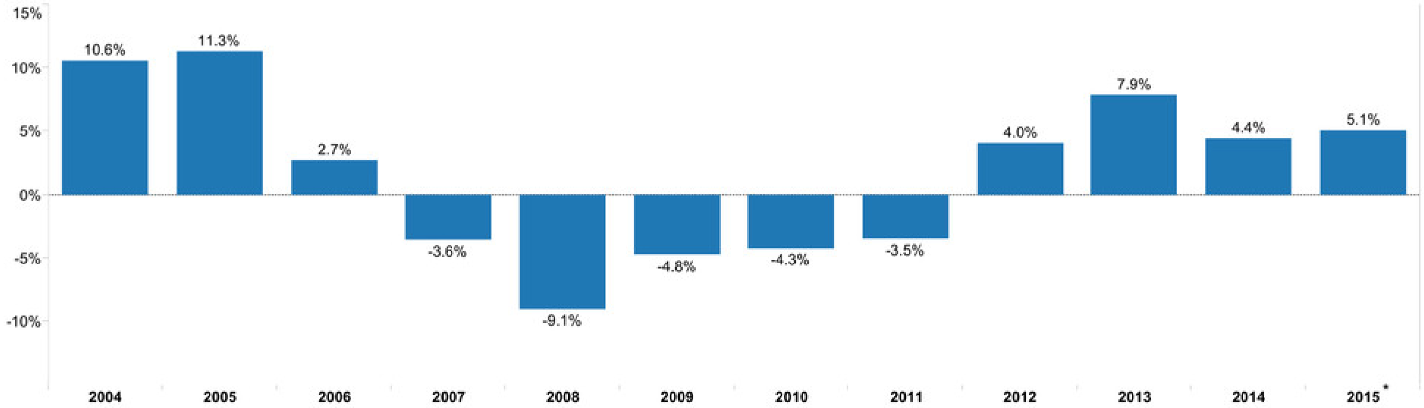
Home Price Growth/Decline Rates in the U.S.

Fannie Mae Home Price Index



S&P/Case-Shiller Index

2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015**
13.6%	13.5%	1.7%	-5.4%	-12.0%	-3.8%	-4.1%	-3.9%	6.5%	10.8%	4.5%	5.3%

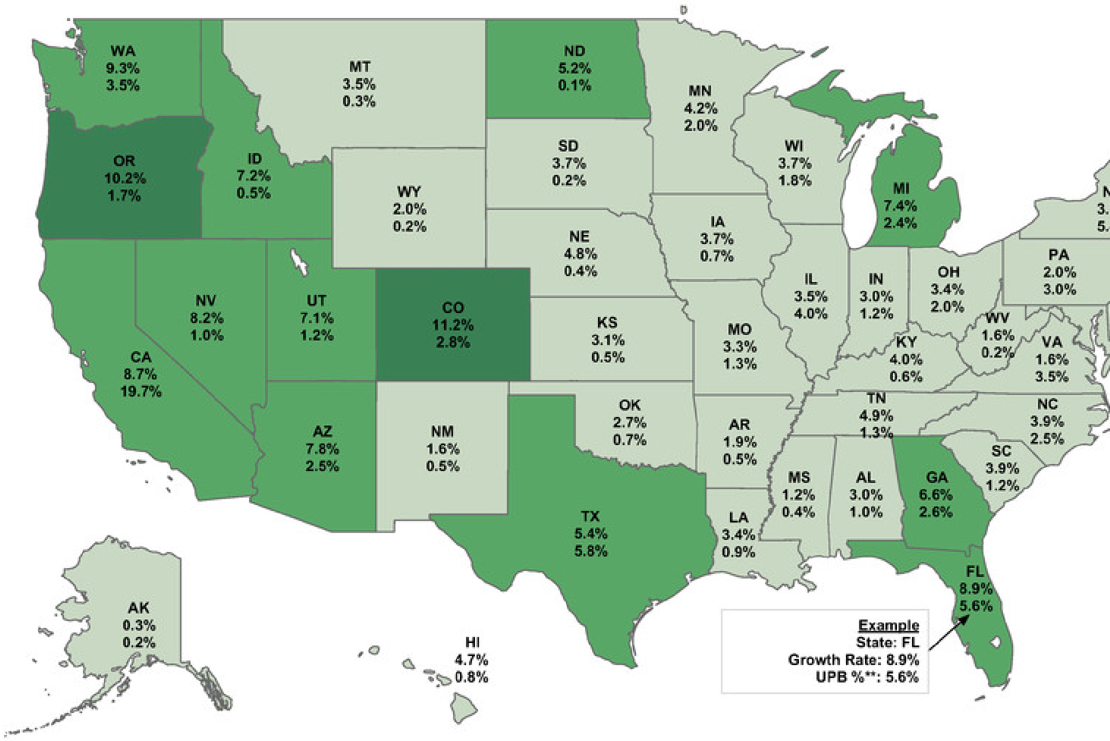
* Estimate based on purchase transactions in Fannie-Freddie acquisition and public deed data available through the end of January 2016. Including subsequent data may lead to materially different results.

**Year-to-date as of September 2015. As comparison, Fannie Mae's index for the same period is 5.2%.

Based on our home price index, we estimate that home prices on a national basis increased by 5.1% in 2015, following increases of 4.4% in 2014 and 7.9% in 2013. Despite the recent increases in home prices, we estimate that, through December 31, 2015, home prices on a national basis remained 6.0% 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.

One Year Home Price Change as of 2015 Q4*

United States: 5.1%



	Growth Rate	UPB %**
CT	0.0%	1.3%
DC	5.9%	0.4%
DE	2.8%	0.4%
MA	4.7%	3.0%
MD	2.6%	2.7%
NH	4.0%	0.5%
NJ	2.1%	3.9%
RI	5.6%	0.3%
VT	0.5%	0.2%

State Growth Rate
- 0 to 5%
- 5-10%
- 10% and Above

*Source: Fannie Mae. Home price estimates are based on purchase transactions in Fannie-Freddie acquisition and public deed data available through the end of January 2016. UPB estimates are based on data available through the end of December 2015. Including subsequent data may lead to materially different results.

** "UPB %" refers to unpaid principal balance of loans on properties in the applicable state 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.

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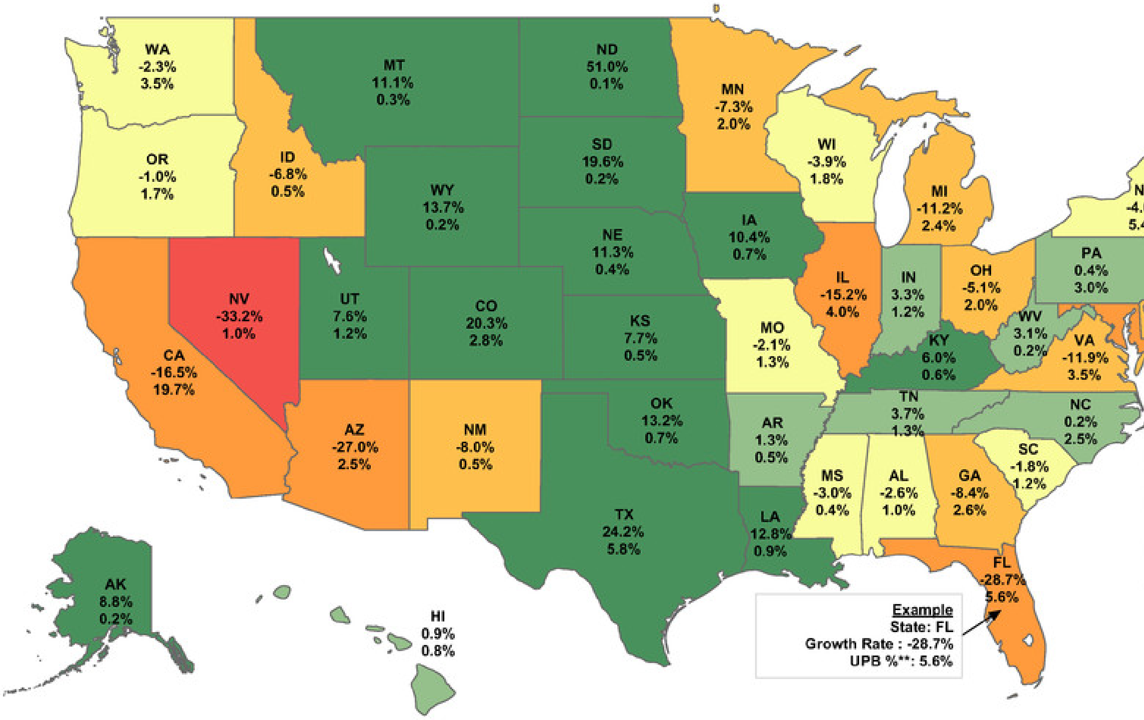
Home Price Change From 2006 Q3 Through 2015 Q4*

United States: -6.0%



	Growth Rate	UPB %**
CT	-19.8%	1.3%
DC	29.7%	0.4%
DE	-13.8%	0.4%
MA	-4.0%	3.0%
MD	-19.7%	2.7%
NH	-11.4%	0.5%
NJ	-20.6%	3.9%
RI	-22.9%	0.3%
VT	-7.3%	0.2%

State Growth Rate

- Below -30%
- -30% to -15%
- -15% to -5%
- -5% to 0%
- 0% to 5%
- 5% and Above

*Source: Fannie Mae. Home price estimates are based on purchase transactions in Fannie-Freddie acquisition and public deed data available through the end of January 2016. UPB estimates are based on data available through the end of December 2015. Including subsequent data may lead to materially different results.

** "UPB %" refers to unpaid principal balance of loans on properties in the applicable state 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.

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	Full Year 2015		Q4 2015		Q3 2015		Q2 2015		Q1 2015		Full Year 2014	
	Single-Family Acquisitions	Excl. (2) Refi Plus	Single-Family Acquisitions	Excl. (2) Refi Plus	Single-Family Acquisitions	Excl. (2) Refi Plus	Single-Family Acquisitions	Excl. (2) Refi Plus	Single-Family Acquisitions	Excl. (2) Refi Plus	Single-Family Acquisitions	Excl. (2) Refi Plus
Unpaid Principal Balance (UPB) ($B)	$471.4	$441.0	$105.6	$99.7	$124.5	$117.6	$128.1	$118.9	$113.2	$104.9	$369.8	$324.8
Weighted Average Origination Note Rate	3.98%	3.97%	4.04%	4.04%	4.05%	4.04%	3.87%	3.86%	3.98%	3.97%	4.31%	4.28%
Origination Loan-to-Value (LTV) Ratio												
<= 60%	18.2%	17.5%	17.5%	16.9%	17.1%	16.6%	19.6%	18.8%	18.5%	17.8%	15.9%	15.1%
60.01% to 70%	13.7%	13.6%	13.1%	13.0%	12.6%	12.5%	14.4%	14.3%	14.6%	14.6%	12.2%	12.1%
70.01% to 80%	40.0%	41.3%	39.7%	40.8%	40.1%	41.3%	39.7%	41.2%	40.4%	42.0%	40.4%	43.5%
80.01% to 90%	12.5%	12.3%	13.1%	13.0%	12.8%	12.7%	11.8%	11.6%	12.4%	12.2%	13.1%	12.7%
90.01% to 100%	14.9%	15.2%	15.9%	16.3%	16.6%	16.9%	13.8%	14.1%	13.2%	13.4%	16.2%	16.5%
> 100%	0.8%	0.0%	0.7%	0.0%	0.7%	0.0%	0.8%	0.0%	0.9%	0.0%	2.2%	0.0%
Weighted Average Origination LTV Ratio	74.8%	74.8%	75.3%	75.4%	75.6%	75.7%	74.0%	74.0%	74.2%	74.2%	76.6%	76.1%
FICO Credit Scores[3]												
< 620	0.6%	0.0%	0.6%	0.0%	0.6%	0.0%	0.6%	0.0%	0.7%	0.0%	1.2%	0.0%
620 to < 660	4.7%	4.2%	5.3%	4.8%	5.0%	4.5%	4.3%	3.7%	4.6%	4.0%	5.4%	4.4%
660 to < 700	12.1%	11.7%	13.0%	12.6%	12.6%	12.2%	11.1%	10.6%	11.8%	11.4%	13.4%	12.6%
700 to < 740	20.4%	20.5%	21.2%	21.3%	20.7%	20.8%	19.7%	19.8%	20.1%	20.3%	21.0%	21.2%
>=740	62.1%	63.5%	59.9%	61.2%	61.1%	62.4%	64.3%	65.8%	62.7%	64.3%	58.9%	61.7%
Weighted Average FICO Credit Score	748	750	746	748	747	749	750	753	748	751	744	748
Certain Characteristics												
Fixed rate	97.5%	97.4%	97.2%	97.1%	97.5%	97.4%	98.1%	98.0%	97.2%	97.1%	95.3%	94.9%
Adjustable-rate	2.5%	2.6%	2.8%	2.9%	2.5%	2.6%	1.9%	2.0%	2.8%	2.9%	4.7%	5.1%
Alt-A (4)	0.4%	0.0%	0.4%	0.0%	0.3%	0.0%	0.4%	0.0%	0.5%	0.0%	0.9%	0.0%
Interest Only	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Investor	7.8%	7.2%	7.4%	6.8%	7.7%	7.2%	7.7%	7.0%	8.4%	7.7%	9.0%	7.7%
Condo/Co-op	10.0%	10.0%	9.9%	10.0%	10.0%	10.1%	10.3%	10.4%	9.6%	9.6%	10.3%	10.3%
Refinance	54.7%	51.6%	49.7%	46.7%	46.1%	42.9%	59.7%	56.6%	63.2%	60.2%	48.3%	41.1%
Loan Purpose												
Purchase	45.3%	48.4%	50.3%	53.3%	53.9%	57.1%	40.3%	43.4%	36.8%	39.8%	51.7%	58.9%
Cash-out refinance	18.6%	19.9%	19.3%	20.5%	18.2%	19.3%	18.1%	19.5%	18.8%	20.3%	16.1%	18.3%
Other refinance	36.1%	31.7%	30.4%	26.2%	27.9%	23.6%	41.6%	37.0%	44.4%	40.0%	32.2%	22.8%

Top 3 Geographic Concentrations	Single-Family Acquisitions	Single-Family Acquisitions	Single-Family Acquisitions	Single-Family Acquisitions	Single-Family Acquisitions	Single-Family Acquisitions
California	23.0%	21.0%	20.6%	24.8%	25.6%	21.2%
Texas	7.2%	7.2%	8.0%	6.9%	6.7%	7.7%
Florida	5.0%	5.3%	5.2%	4.9%	4.7%	5.3%

(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 for the applicable periods 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 2015 Form 10-K.

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Credit Risk Profile Summary of Single-Family Business Acquisitions[1]

Credit Profile for Single-Family Acquisitions

FICO Credit Score[2]

2015	Origination LTV Ratio <= 60%	60.01% to 80%	80.01% to 100%	> 100%	Total
>=740	12.6%	33.6%	15.6%	0.2%	62.1%
660 to < 740	4.6%	17.1%	10.4%	0.3%	32.5%
620 to < 660	0.8%	2.6%	1.2%	0.1%	4.7%
< 620	0.1%	0.2%	0.2%	0.1%	0.6%
Total	18.2%	53.7%	27.4%	0.8%	100.0%

FICO Credit Score[2]

2014	Origination LTV Ratio <= 60%	60.01% to 80%	80.01% to 100%	> 100%	Total
>=740	10.3%	31.9%	16.0%	0.7%	58.9%
660 to < 740	4.5%	17.4%	11.6%	0.9%	34.4%
620 to < 660	0.9%	2.8%	1.4%	0.3%	5.4%
< 620	0.2%	0.4%	0.4%	0.2%	1.2%
Total	15.9%	52.6%	29.3%	2.2%	100.0%

FICO Credit Score[2]

Change in Acquisitions Profile	Origination LTV Ratio <= 60%	60.01% to 80%	80.01% to 100%	> 100%	Total
>=740	2.2%	1.7%	-0.3%	-0.5%	3.2%
660 to < 740	0.2%	-0.3%	-1.1%	-0.6%	-1.9%
620 to < 660	0.0%	-0.2%	-0.3%	-0.2%	-0.7%
<620	-0.1%	-0.2%	-0.2%	-0.2%	-0.6%
Total	2.3%	1.1%	-1.9%	-1.4%	0.0%

Credit Profile for Single-Family Acquisitions (Excluding Refi Plus)[3]

FICO Credit Score[2]

2015	Origination LTV Ratio <= 60%	60.01% to 80%	80.01% to 95%	>95%	Total
>=740	12.5%	34.9%	15.4%	0.7%	63.5%
660 to < 740	4.3%	17.5%	9.6%	0.8%	32.2%
620 to < 660	0.7%	2.5%	0.9%	0.1%	4.2%
Total	17.5%	54.9%	25.9%	1.6%	100.0%

FICO Credit Score[2]

2014	Origination LTV Ratio <= 60%	60.01% to 80%	80.01% to 95%	>95%	Total
>=740	10.3%	34.6%	16.4%	0.4%	61.7%
660 to < 740	4.1%	18.2%	11.1%	0.4%	33.8%
620 to < 660	0.7%	2.7%	1.0%	0.0%	4.4%
Total	15.1%	55.6%	28.4%	0.9%	100.0%

FICO Credit Score[2]

Change in Acquisitions Profile	Origination LTV Ratio <= 60%	60.01% to 80%	80.01% to 95%	>95%	Total
>=740	2.1%	0.3%	-1.0%	0.3%	1.7%
660 to < 740	0.3%	-0.8%	-1.5%	0.4%	-1.6%
620 to < 660	0.0%	-0.2%	-0.1%	0.1%	-0.2%
Total	2.4%	-0.6%	-2.5%	0.8%	0.0%

(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) FICO credit score is as of loan origination, as reported by the seller of the mortgage loan. FICO credit scores below 620 primarily consist of the refinance of existing loans 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) Single-family business acquisitions for the applicable period excluding loans acquired under our Refi Plus initiative, which includes HARP.

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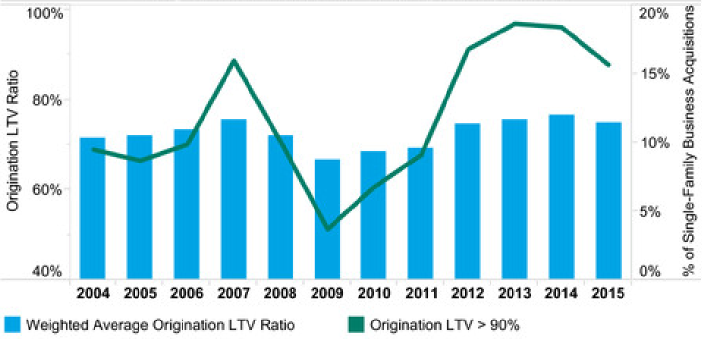
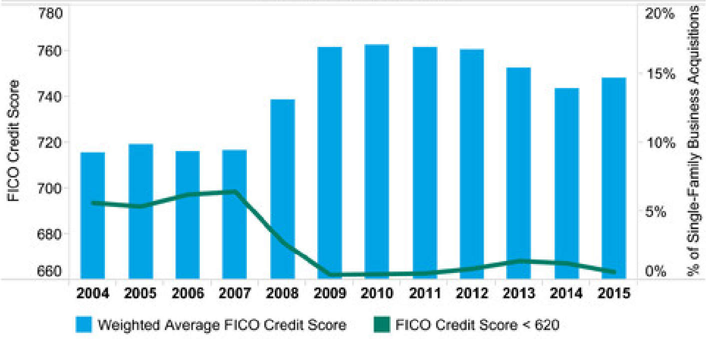
Certain Credit Characteristics of Single-Family Business Acquisitions: 2004 - 2015[1]

Origination Loan-to-Value (OLTV) Ratio

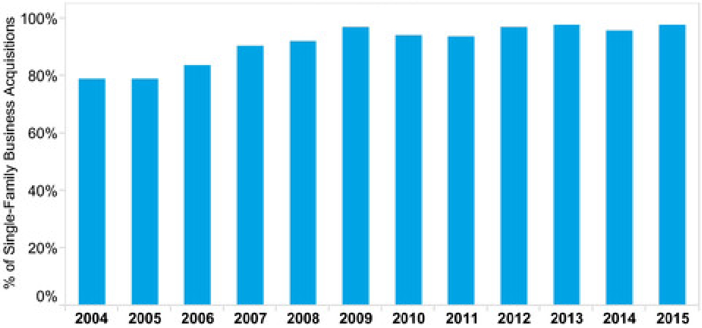


FICO Credit Score[2]

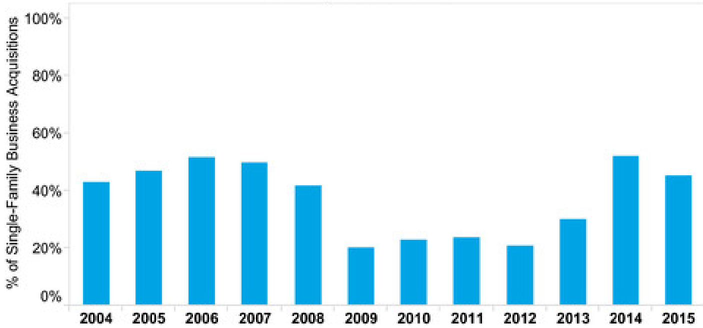


Product Feature

Share of Single-Family Business Acquisitions:
Fixed Rate Product

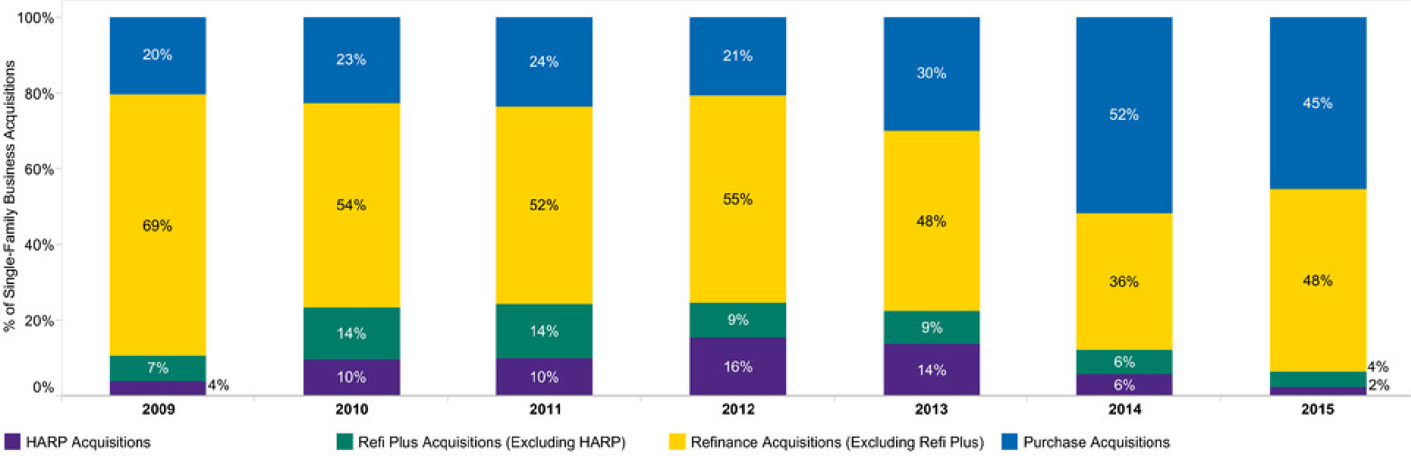


Share of Single-Family Business Acquisitions:
Loan Purpose - Purchase



(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) 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, which includes HARP.

Single-Family Business Acquisitions by Loan Purpose



Credit Characteristics of Single-Family Business Acquisitions Under the Refi Plus Initiative[1]

Acquisition Year	2009		2010		2011		2012		2013		2014		2015	
	HARP	Refi Plus (Excluding HARP)	HARP	Refi Plus (Excluding HARP)	HARP	Refi Plus (Excluding HARP)	HARP	Refi Plus (Excluding HARP)	HARP	Refi Plus (Excluding HARP)	HARP	Refi Plus (Excluding HARP)	HARP	Refi Plus (Excluding HARP)
Unpaid Principal Balance (UPB) ($B)	$27.9	$44.7	$59.0	$80.5	$55.6	$81.2	$129.9	$73.8	$99.5	$64.4	$21.5	$23.5	$11.2	$19.2
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%	4.62%	4.39%	4.23%	4.08%
Origination LTV Ratio														
<=80%	0.0%	100.0%	0.0%	100.0%	0.0%	100.0%	0.0%	100.0%	0.0%	100.0%	0.0%	100.0%	0.0%	100.0%
80.01% to 105%	99.1%	0.0%	94.4%	0.0%	88.1%	0.0%	57.2%	0.0%	58.4%	0.0%	73.3%	0.0%	78.0%	0.0%
105.01% to 125%	0.9%	0.0%	5.6%	0.0%	11.9%	0.0%	22.1%	0.0%	21.5%	0.0%	16.9%	0.0%	15.0%	0.0%
>125%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	20.7%	0.0%	20.1%	0.0%	9.9%	0.0%	7.0%	0.0%
Weighted Average Origination LTV Ratio	90.7%	63.3%	92.2%	62.3%	94.3%	60.2%	111.0%	61.1%	109.8%	60.2%	101.5%	61.3%	98.4%	60.4%
FICO Credit Scores[2]														
< 620	1.2%	0.8%	2.0%	1.4%	2.1%	1.7%	3.7%	2.9%	6.7%	5.3%	10.6%	9.3%	9.5%	8.8%
620 to < 660	2.5%	1.7%	3.6%	2.4%	3.8%	2.8%	6.0%	4.2%	9.5%	6.9%	14.5%	11.2%	14.6%	10.5%
660 to < 740	31.9%	23.0%	33.1%	23.9%	32.6%	25.6%	33.8%	26.0%	38.7%	31.9%	41.0%	36.5%	41.1%	34.4%
>=740	64.4%	74.5%	61.2%	72.3%	61.5%	70.0%	56.6%	66.9%	45.1%	55.8%	33.9%	43.0%	34.8%	46.3%
Weighted Average FICO Credit Score	749	762	746	760	746	758	738	753	722	737	704	717	706	722

(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.

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

		Origination Year									
As of December 31, 2015	**Overall Book**	**2015**	**2014**	**2013**	**2012**	**2011**	**2010**	**2009**	**2008**	**2007**	**2006 and Earlier**
Unpaid Principal Balance (UPB) ($B) (1)	$2,774.5	$411.4	$303.9	$501.7	$573.4	$223.9	$186.6	$131.2	$51.3	$95.1	$296.0
Share of Single-Family Conventional Guaranty Book	100.0%	14.8%	11.0%	18.1%	20.7%	8.1%	6.7%	4.7%	1.9%	3.4%	10.7%
Average Unpaid Principal Balance (1)	$160,741	$216,808	$189,742	$181,262	$183,593	$152,985	$151,561	$147,379	$142,990	$160,016	$88,823
Serious Delinquency Rate	1.55%	0.03%	0.24%	0.34%	0.31%	0.44%	0.62%	1.03%	5.84%	9.73%	4.26%
Weighted Average Origination LTV Ratio	74.9%	74.9%	77.0%	76.7%	76.4%	71.3%	71.2%	69.7%	74.8%	78.4%	73.6%
Origination LTV Ratio > 90%	16.3%	15.9%	19.5%	20.5%	19.0%	12.5%	10.4%	6.6%	12.5%	20.9%	11.6%
Weighted Average Mark-to-Market LTV Ratio	61.7%	72.3%	69.3%	61.4%	55.6%	51.1%	52.7%	54.7%	68.8%	84.7%	59.4%
Mark-to-Market LTV Ratio > 100% and <= 125%	2.5%	0.5%	1.0%	2.3%	2.1%	0.3%	0.4%	0.4%	6.2%	17.5%	6.1%
Mark-to-Market LTV Ratio > 125%	0.8%	0.1%	0.3%	0.7%	0.6%	0.0%	0.0%	0.0%	1.3%	7.1%	2.0%
Weighted Average FICO Credit Score (2)	744	748	743	750	759	757	757	753	713	691	703
FICO < 620 (2)	2.3%	0.6%	1.3%	1.7%	1.1%	0.8%	0.8%	0.8%	6.2%	11.6%	8.2%
Interest Only	2.1%	0.0%	0.0%	0.2%	0.3%	0.5%	0.9%	1.1%	8.5%	19.5%	9.7%
Negative Amortizing	0.1%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	1.3%
Fixed-rate	92.9%	97.8%	95.9%	97.7%	97.7%	95.4%	96.2%	97.3%	72.7%	62.7%	72.9%
Primary Residence	88.0%	88.3%	86.7%	86.2%	88.7%	87.2%	89.2%	90.7%	87.8%	90.2%	88.9%
Condo/Co-op	9.4%	9.9%	9.9%	10.2%	8.9%	8.5%	8.2%	8.7%	10.7%	9.4%	9.2%
Credit Enhanced (3)	18.2%	27.0%	35.2%	19.6%	13.0%	8.3%	5.9%	5.2%	24.4%	30.1%	12.1%
Cumulative Default Rate (4)	n/a	0.0%	0.0%	0.2%	0.3%	0.3%	0.5%	0.7%	4.8%	14.4%	n/a

(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 December 31, 2015.

(2) 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, which includes HARP.

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

(4) Defaults include loan foreclosures, short sales, sales to third parties at the time of foreclosure and deeds-in-lieu of foreclosure. Cumulative Default Rate is the total number of single-family conventional loans in the guaranty book of business originated in the identified year that have defaulted, divided by the total number of single-family conventional loans in the guaranty book of business originated in the identified year. For 2006 and earlier cumulative default rates, refer to slide 18.

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

As of December 31, 2015	Categories Not Mutually Exclusive [1]							
	Interest Only Loans	Loans with[2] FICO < 620	Loans with FICO[2] ≥ 620 and < 660	Loans with Origination LTV Ratio > 90%	Loans with FICO[2] < 620 and Origination LTV Ratio > 90%	Alt-A Loans[3]	Refi Plus[4] Including HARP	Subtotal of Certain Product Features[1]
Unpaid Principal Balance (UPB) ($B)[5]	$58.5	$63.4	$151.9	$452.5	$19.1	$102.3	$488.2	$965.6
Share of Single-Family Conventional Guaranty Book	2.1%	2.3%	5.5%	16.3%	0.7%	3.7%	17.6%	34.8%
Average Unpaid Principal Balance[5]	$229,241	$117,814	$133,965	$171,547	$132,927	$147,359	$153,387	$152,030
Serious Delinquency Rate	8.00%	7.89%	5.02%	2.34%	8.99%	6.53%	0.78%	2.81%
Acquisition Years 2005-2008	81.9%	41.3%	30.3%	9.5%	30.9%	59.6%	0.0%	17.4%
Weighted Average Origination LTV Ratio	74.2%	81.7%	79.2%	103.7%	108.2%	78.5%	86.7%	85.6%
Origination LTV Ratio > 90%	8.1%	30.0%	23.1%	100.0%	100.0%	15.8%	39.6%	46.9%
Weighted Average Mark-to-Market LTV Ratio	81.4%	72.6%	69.9%	86.0%	93.3%	74.3%	66.8%	72.0%
Mark-to-Market LTV Ratio > 100% and <= 125%	17.0%	10.1%	7.1%	9.5%	21.8%	12.6%	6.2%	6.3%
Mark-to-Market LTV Ratio > 125%	6.1%	4.0%	2.6%	3.2%	9.6%	4.7%	1.7%	2.0%
Weighted Average FICO Credit Score[2]	722	583	642	729	583	711	735	719
FICO < 620 [2]	1.6%	100.0%	0.0%	4.2%	100.0%	2.8%	5.0%	6.6%
Fixed-rate	23.6%	83.5%	86.7%	95.8%	88.4%	65.4%	98.9%	89.8%
Primary Residence	85.7%	94.5%	93.1%	92.2%	94.2%	77.0%	84.5%	89.4%
Condo/Co-op	14.6%	4.7%	6.1%	9.9%	5.9%	9.7%	9.4%	8.8%
Credit Enhanced[6]	13.5%	22.7%	21.5%	63.0%	54.4%	10.2%	12.3%	32.3%

(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) For a description of our Alt-A loan classification criteria, refer to Fannie Mae's 2015 Form 10-K.
(4) 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%.
(5) 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 December 31, 2015.
(6) 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.

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 December 31, 2015 (1)				Seriously Delinquent Loans as of December 31, 2015 (2)		Real Estate Owned (REO)				Credit Loss
Select States (5)	Unpaid Principal Balance (UPB) ($B)	Share of Single-Family Conventional Guaranty Book	Weighted Average Mark-to-Market LTV Ratio	Mark-to-Market LTV > 100%	Seriously Delinquent Loan Share (2)	Serious Delinquency Rate (2)	Q4 2015 Acquisitions (# of properties)	Q4 2015 Dispositions (# of properties)	REO Ending Inventory as of 12/31/15	Average Days (3) to Foreclosure	% of 2015 (4) Credit Losses
California	$546.4	19.7%	52.4%	2.1%	5.2%	0.58%	680	714	2,318	738	1.4%
Texas	$161.4	5.8%	59.1%	0.1%	3.2%	0.75%	448	500	1,065	701	0.3%
Florida	$154.3	5.6%	68.2%	11.3%	11.8%	2.86%	2,553	4,461	9,075	1,442	20.8%
New York	$149.9	5.4%	57.5%	3.2%	10.5%	3.55%	771	567	2,814	1,644	16.4%
Illinois	$110.6	4.0%	68.8%	7.1%	5.4%	1.88%	1,169	1,803	5,028	917	7.8%
New Jersey	$108.1	3.9%	67.0%	7.1%	10.1%	4.87%	1,068	859	4,366	1,639	21.6%
Washington	$98.2	3.5%	60.0%	1.5%	1.9%	0.96%	307	399	1,082	931	1.2%
Virginia	$97.0	3.5%	64.0%	2.7%	1.8%	0.93%	411	341	1,133	568	0.9%
Pennsylvania	$83.9	3.0%	65.3%	2.4%	4.7%	2.03%	803	922	2,515	979	3.4%
Massachusetts	$82.4	3.0%	58.7%	1.2%	3.0%	1.89%	359	279	1,351	1,266	1.9%
Regions (6)											
Midwest	$411.9	14.8%	66.6%	3.5%	16.7%	1.36%	3,722	4,945	13,307	701	13.7%
Northeast	$516.3	18.6%	62.5%	3.8%	33.7%	3.02%	3,699	3,534	13,770	1,335	48.0%
Southeast	$609.2	22.0%	65.9%	5.1%	28.0%	1.83%	5,628	8,030	19,036	1,084	29.6%
Southwest	$459.4	16.6%	61.9%	1.5%	10.8%	0.90%	2,044	1,994	4,916	632	2.8%
West	$777.7	28.0%	55.1%	2.3%	10.8%	0.78%	1,657	1,952	6,224	974	5.9%
Total	$2,774.5	100.0%	61.7%	3.3%	100.0%	1.55%	16,750	20,455	57,253	991	100.0%

(1) Based on the unpaid principal balance (UPB) of the single-family conventional guaranty book of business as of December 31, 2015. 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 December 31, 2015.

(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. "Serious delinquency 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 in 2015. 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 expense (income), adjusted to exclude the impact of fair value losses resulting from credit-impaired loans acquired from MBS trusts. Includes the impact of credit losses associated with our redesignation in 2015 from held for investment to held for sale of certain nonperforming single-family loans expected to be sold in the foreseeable future. Also includes the impact of our approach to adopting the charge-off provisions of the Federal Housing Finance Agency's Advisory Bulletin AB 2012-02, "Framework for Adversely Classifying Loans, Other Real Estate Owned, and Other Assets and Listing Assets for Special Mention" on January 1, 2015. For information on total credit losses, refer to Fannie Mae's 2015 Form 10-K.

(5) Select states represent the top ten states in UPB of the single-family conventional guaranty book of business as of December 31, 2015.

(6) For information on which states are included in each region, refer to Fannie Mae's 2015 Form 10-K.

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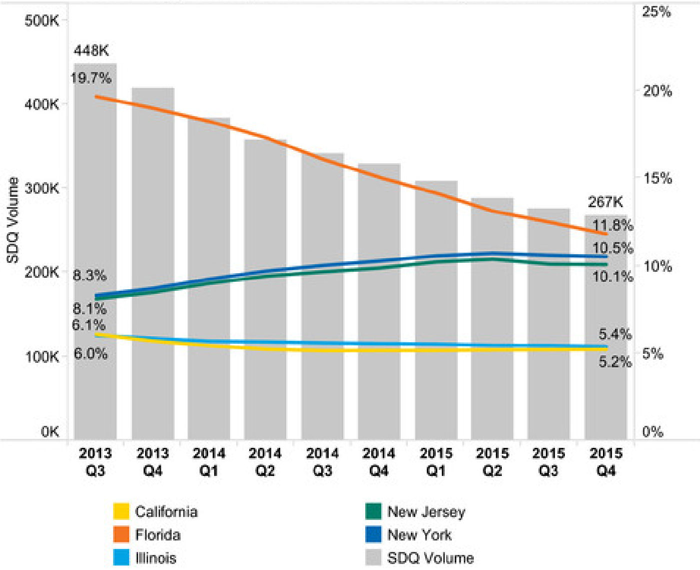
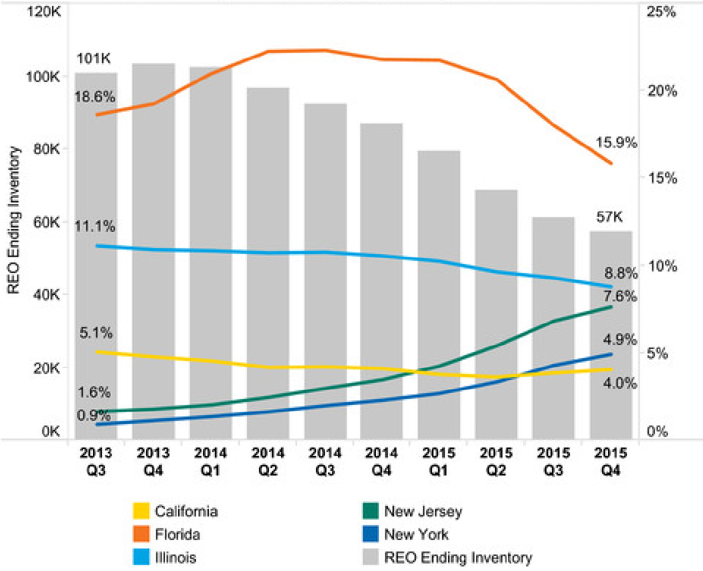
Seriously Delinquent Loan and REO Ending Inventory Share by Select States[(1)]



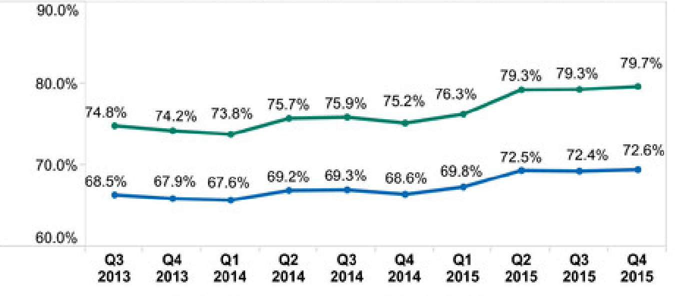


Our single-family serious delinquency rate and the period of time that loans remain seriously delinquent continue to be negatively impacted by the length of time required to complete a foreclosure in some states. Longer foreclosure timelines result in these loans remaining in our book of business for 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.

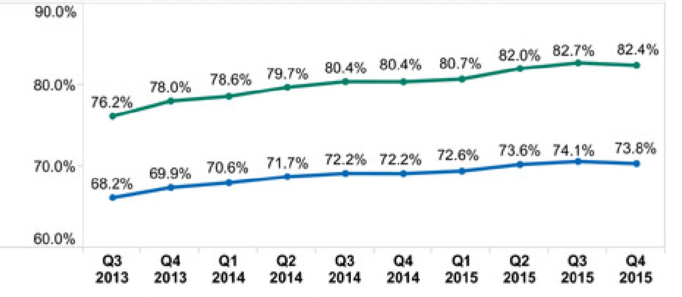
(1) Based on states with the largest volume of seriously delinquent loans in our single-family conventional guaranty book of business as of December 31, 2015.
(2) "Seriously delinquent loan share" refers to the percentage of our single-family seriously delinquent loan population in the applicable state.
(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.

Single-Family Short Sales and REO Sales Prices to Unpaid Principal Balance (UPB) of Mortgage Loans

REO[1] Direct Sale Dispositions: Sales Prices to UPB[2]



Short Sales: Sales Prices to UPB[2]



Net Sales Prices to UPB Trends for Top 10 States[2][3]

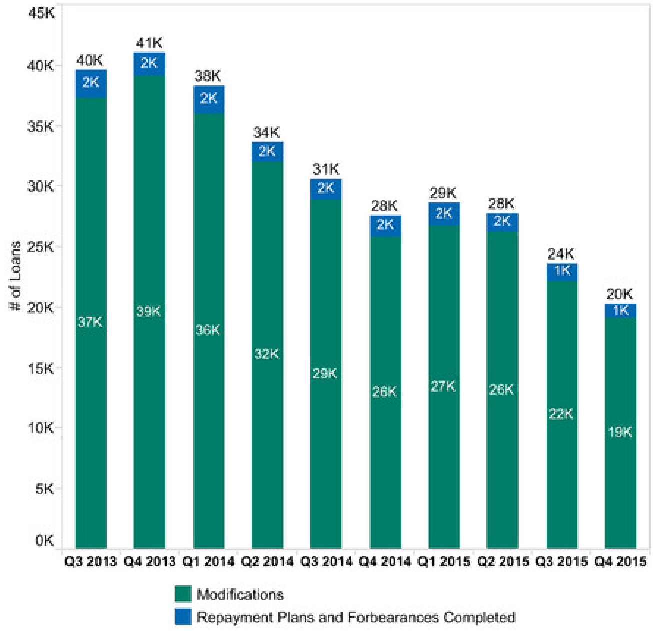
REO Net Sales Prices to UPB	Q4 2014	Q1 2015	Q2 2015	Q3 2015	Q4 2015
Florida	69.2%	70.8%	73.5%	74.8%	77.5%
Illinois	58.6%	60.8%	64.5%	63.9%	60.9%
Ohio	56.1%	55.9%	62.7%	63.4%	62.9%
Michigan	56.2%	59.2%	64.6%	65.7%	66.8%
Maryland	61.4%	64.9%	67.5%	67.3%	69.5%
Pennsylvania	60.2%	59.6%	63.0%	61.3%	62.8%
California	78.5%	81.3%	84.0%	83.1%	84.3%
New Jersey	56.9%	54.2%	57.7%	58.8%	58.5%
Georgia	75.7%	76.8%	78.3%	77.5%	78.0%
Washington	78.5%	81.8%	84.8%	86.6%	86.6%

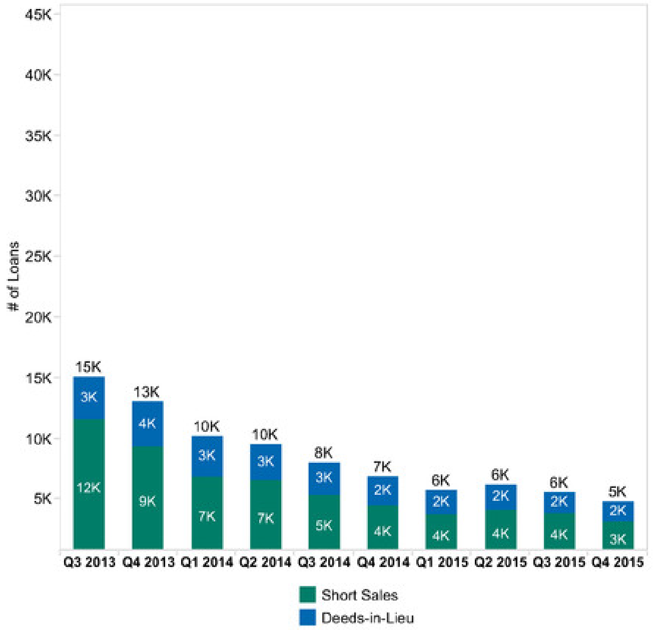
Short Sales Net Sales Prices to UPB	Q4 2014	Q1 2015	Q2 2015	Q3 2015	Q4 2015
Florida	70.2%	69.1%	72.7%	72.0%	72.3%
California	77.8%	78.4%	78.3%	80.0%	81.3%
Illinois	64.4%	65.5%	64.5%	66.8%	66.3%
New Jersey	64.4%	67.8%	65.7%	66.9%	66.6%
New York	70.4%	73.6%	72.8%	73.1%	74.1%
Nevada	71.1%	68.6%	71.5%	70.5%	69.5%
Maryland	71.2%	70.0%	70.3%	70.6%	69.1%
Arizona	73.5%	75.3%	77.0%	77.5%	78.8%
Washington	79.3%	76.2%	78.5%	80.5%	81.9%
Michigan	65.3%	67.6%	71.7%	63.3%	74.1%

(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 Prices to UPB are 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 2015 in each respective category.

Single-Family Loan Workouts

Home Retention Solutions[(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 accounted for as troubled debt restructurings, 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.

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Re-performance Rates of Modified Single-Family Loans[1]

	2013 Q1	2013 Q2	2013 Q3	2013 Q4	2014 Q1	2014 Q2	2014 Q3	2014 Q4	2015 Q1	2015 Q2	2015 Q3
Modifications[2]	43,153	40,358	37,337	39,159	36,044	32,010	28,861	25,908	26,700	26,214	22,199
% Current or Paid Off											
3 Months Post Modification	86%	83%	83%	84%	83%	79%	79%	80%	79%	77%	76%
6 Months Post Modification	79%	77%	79%	79%	76%	72%	74%	74%	72%	69%	n/a
9 Months Post Modification	76%	75%	76%	74%	72%	71%	71%	70%	68%	n/a	n/a
12 Months Post Modification	75%	74%	73%	73%	72%	70%	69%	67%	n/a	n/a	n/a
15 Months Post Modification	74%	71%	72%	72%	71%	67%	67%	n/a	n/a	n/a	n/a
18 Months Post Modification	72%	70%	72%	71%	70%	66%	n/a	n/a	n/a	n/a	n/a
21 Months Post Modification	72%	71%	72%	71%	69%	n/a	n/a	n/a	n/a	n/a	n/a
24 Months Post Modification	73%	72%	72%	70%	n/a	n/a	n/a	n/a	n/a	n/a	n/a

(1) Modifications reflect permanent modifications which does not include loans currently in trial modifications.
(2) Defined as total number of completed modifications for the time periods noted.

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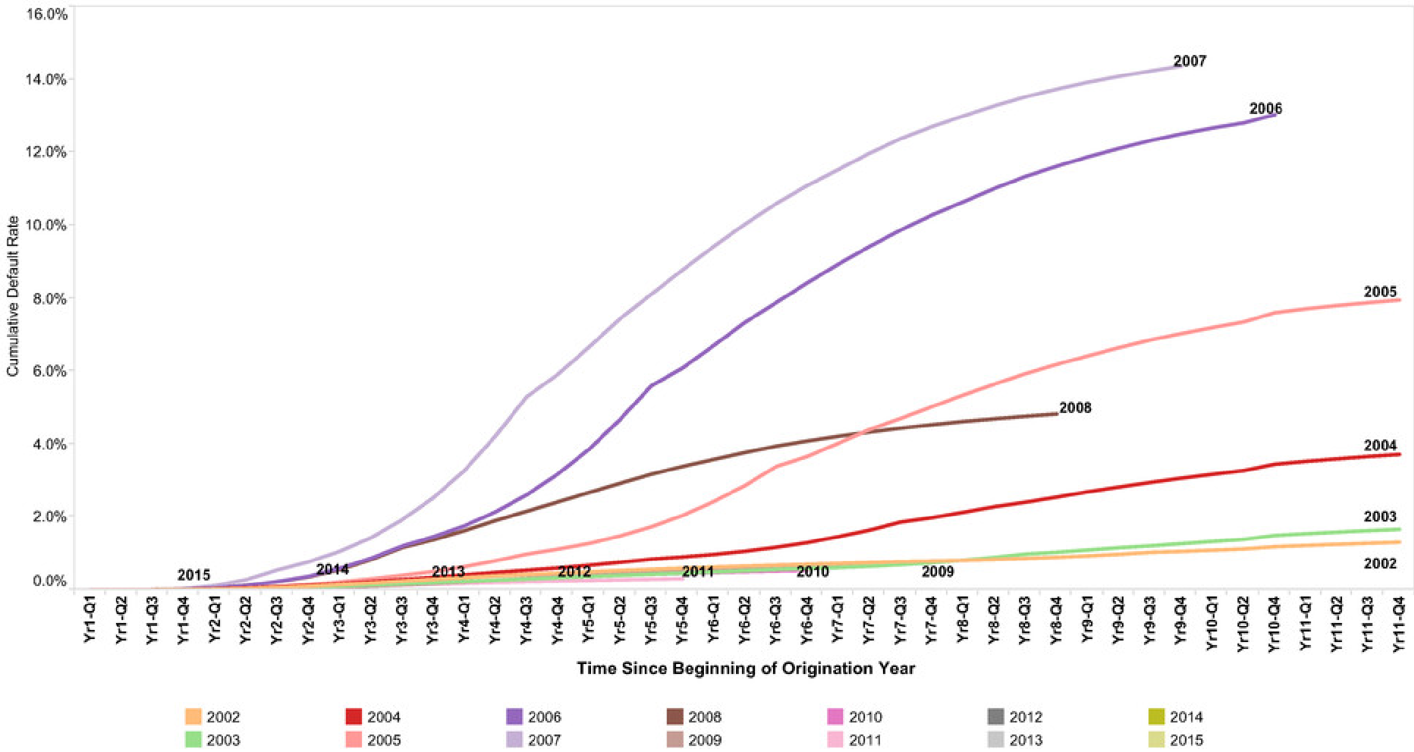
Credit Loss Concentration of Single-Family Conventional Guaranty Book of Business

	% of Single-Family Conventional Guaranty Book of Business[1]						% of Single-Family Credit Losses[2]					
Certain Product Features[3]	**2015**	**2014**	**2013**	**2012**	**2011**	**2010**	**2015**	**2014**	**2013**	**2012**	**2011**	**2010**
Negative Amortizing	0.1%	0.2%	0.2%	0.3%	0.3%	0.4%	1.2%	0.9%	0.8%	0.5%	1.2%	1.9%
Interest Only	2.1%	2.5%	2.9%	3.7%	4.7%	5.6%	18.0%	10.2%	18.7%	21.8%	25.8%	28.6%
FICO < 620[4]	2.3%	2.5%	2.6%	2.9%	3.2%	3.5%	11.1%	12.1%	7.0%	7.8%	7.9%	8.0%
FICO 620 to < 660[4]	5.5%	5.5%	5.5%	6.0%	6.7%	7.4%	18.3%	17.6%	15.7%	14.2%	14.7%	15.1%
Origination LTV Ratio > 90%	16.3%	15.9%	15.1%	12.8%	10.0%	9.4%	16.4%	15.3%	20.8%	16.8%	14.0%	15.9%
FICO < 620 and Origination LTV Ratio > 90%[4]	0.7%	0.7%	0.7%	0.7%	0.7%	0.8%	2.7%	2.9%	2.0%	2.3%	2.2%	2.7%
Alt-A[5]	3.7%	4.2%	4.7%	5.6%	6.6%	7.6%	29.3%	17.4%	26.0%	23.7%	27.3%	33.2%
Subprime[6]	0.1%	0.1%	0.1%	0.2%	0.2%	0.2%	1.6%	1.3%	-0.2%	1.1%	0.6%	1.1%
Refi Plus including HARP	17.6%	19.1%	19.5%	16.5%	11.2%	7.1%	7.8%	10.4%	7.4%	3.5%	1.4%	0.1%
Vintage												
2009 - 2015	84.1%	80.5%	76.2%	65.3%	51.6%	39.0%	10.3%	13.3%	10.0%	5.1%	2.4%	0.4%
2005 - 2008	10.1%	12.2%	14.7%	21.7%	30.4%	38.0%	77.6%	74.7%	77.6%	81.8%	82.9%	87.9%
2004 & Prior	5.8%	7.3%	9.1%	13.1%	18.0%	23.0%	12.1%	12.0%	12.4%	13.1%	14.8%	11.7%
Select States[7]												
New Jersey	3.9%	4.0%	4.0%	4.0%	4.0%	4.0%	21.6%	7.2%	3.7%	2.0%	0.8%	1.2%
Florida	5.6%	5.6%	5.7%	6.0%	6.3%	6.6%	20.8%	32.6%	28.9%	21.4%	11.0%	17.5%
New York	5.4%	5.5%	5.6%	5.6%	5.6%	5.5%	16.4%	4.8%	1.9%	0.9%	0.6%	0.8%
Illinois	4.0%	4.1%	4.1%	4.2%	4.3%	4.3%	7.8%	10.9%	12.9%	9.6%	3.5%	4.3%
Maryland	2.7%	2.7%	2.8%	2.8%	2.9%	2.8%	3.8%	5.9%	3.1%	1.8%	0.6%	1.9%
Pennsylvania	3.0%	3.0%	3.1%	3.1%	3.0%	3.0%	3.4%	4.2%	3.0%	1.6%	0.8%	0.8%
Connecticut	1.3%	1.3%	1.4%	1.4%	1.4%	1.4%	2.3%	2.8%	1.4%	0.9%	0.3%	0.4%
Ohio	2.0%	2.1%	2.1%	2.2%	2.3%	2.4%	2.2%	4.2%	4.1%	3.3%	2.1%	2.2%
Massachusetts	3.0%	3.0%	3.1%	3.1%	3.1%	3.0%	1.9%	1.0%	0.8%	1.0%	1.2%	1.3%
Nevada	1.0%	1.0%	1.0%	1.0%	1.0%	1.1%	1.8%	1.4%	3.8%	4.8%	7.9%	6.1%
All Other States	68.1%	67.7%	67.3%	66.6%	66.0%	65.8%	18.1%	25.0%	36.5%	52.8%	71.0%	63.6%

(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.
(2) Based on the single-family credit losses for the year ended December 31 for the time periods noted. Credit losses consist of (a) charge-offs, net of recoveries and (b) foreclosed property expense (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. Includes the impact of credit losses associated with our redesignation in 2015 from held for investment to held for sale of certain nonperforming single-family loans expected to be sold in the foreseeable future. Also includes the impact of our approach to adopting the charge-off provisions of the Federal Housing Finance Agency's Advisory Bulletin AB 2012-02, "Framework for Adversely Classifying Loans, Other Real Estate Owned, and Other Assets and Listing Assets for Special Mention" on January 1, 2015.
(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. For a description of our Alt-A loan classification criteria, refer to Fannie Mae's 2015 Form 10-K.
(6) For a description of our subprime loan classification criteria, refer to Fannie Mae's 2015 Form 10-K.
(7) Select states represent the top ten states with the highest percentage of single-family credit losses for the year ended December 31, 2015.

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



Note: Defaults include loan foreclosures, short sales, sales to third parties at the time of foreclosure and deeds-in-lieu of foreclosure. Cumulative Default Rate is the total number of single-family conventional loans in the guaranty book of business originated in the identified year that have defaulted, divided by the total number of single-family conventional loans in the guaranty book of business originated in the identified year.

Data as of December 31, 2015 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 December 31, 2015	Loan Count	UPB ($B)	% of Multifamily Guaranty Book of Business	% DUS ® Loans [1]	% Seriously [2] Delinquent	2015 Multifamily Credit Losses ($M) [3]	2014 Multifamily Credit Losses ($M) [3]	2013 Multifamily Credit Losses ($M) [3]
Total Multifamily Guaranty Book of Business	30,064	$211.8	100%	96%	0.07%	($56)	($46)	$52
Credit Enhanced Loans								
Credit Enhanced	27,662	$199.5	94%	98%	0.06%	($23)	($35)	$0
Non-Credit Enhanced	2,402	$12.3	6%	61%	0.19%	($33)	($11)	$52
Origination LTV Ratio [4]								
Less than or equal to 70%	18,913	$114.0	54%	93%	0.03%	($24)	($11)	$24
Greater than 70% and less than or equal to 80%	9,482	$92.2	44%	99%	0.10%	($34)	($38)	$18
Greater than 80%	1,669	$5.5	3%	92%	0.40%	$2	$3	$10
Delegated Underwriting and Servicing (DUS) Loans [5]								
DUS - Small Balance Loans [6]	7,973	$14.9	7%	100%	0.21%	$3	$11	$3
DUS - Non Small Balance Loans	13,440	$187.6	89%	100%	0.05%	($57)	($67)	$29
Total	**21,413**	**$202.5**	**96%**	**100%**	**0.06%**	**($54)**	**($57)**	**$32**
Non-Delegated Underwriting and Servicing (Non-DUS) Loans								
Non-DUS - Small Balance Loans [6]	8,310	$5.4	3%	0%	0.37%	$2	$11	$23
Non-DUS - Non Small Balance Loans	341	$3.8	2%	0%	0.00%	($5)	$0	($3)
Total	**8,651**	**$9.2**	**4%**	**0%**	**0.21%**	**($2)**	**$11**	**$20**
Maturity Dates								
Loans maturing in 2016	1,160	$4.5	2%	86%	0.23%	($6)	$8	$17
Loans maturing in 2017	2,674	$12.6	6%	79%	0.21%	($15)	($19)	$42
Loans maturing in 2018	2,438	$13.8	7%	96%	0.08%	$0	($4)	$0
Loans maturing in 2019	2,383	$18.3	9%	98%	0.01%	($2)	$1	($3)
Loans maturing in 2020	2,618	$16.6	8%	97%	0.07%	($1)	$2	$7
Other maturities	18,791	$145.9	69%	97%	0.06%	($32)	($34)	($11)
Loan Size Distribution								
Less than or equal to $750K	6,144	$1.6	1%	22%	0.20%	$1	$5	$7
Greater than $750K and less than or equal to $3M	9,406	$14.5	7%	79%	0.25%	$9	$19	$33
Greater than $3M and less than or equal to $5M	4,114	$15.0	7%	91%	0.30%	$9	($9)	$2
Greater than $5M and less than or equal to $25M	8,599	$91.0	43%	98%	0.07%	($60)	($53)	($18)
Greater than $25M	1,801	$89.7	42%	98%	0.00%	($15)	($9)	$29

(1) Represents the percentage of loans for a given category (row) comprised of DUS loans, measured by unpaid principal balance.
(2) Multifamily loans are classified as seriously delinquent when payment is 60 days or more past due.
(3) Dollar amount of multifamily credit-related losses/(gains) for the applicable period and category. Total credit losses for each period may not tie to sum of all categories due to rounding.
(4) Weighted average origination loan-to-value ratio is 66% as of December 31, 2015.
(5) Under the Delegated Underwriting and Servicing, or DUS, program, Fannie Mae acquires individual, newly originated mortgages from specially approved DUS lenders using DUS underwriting standards and/or DUS loan documents. Because DUS lenders generally share the risk of loss with Fannie Mae, they are able to originate, underwrite, close and service most loans without 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.

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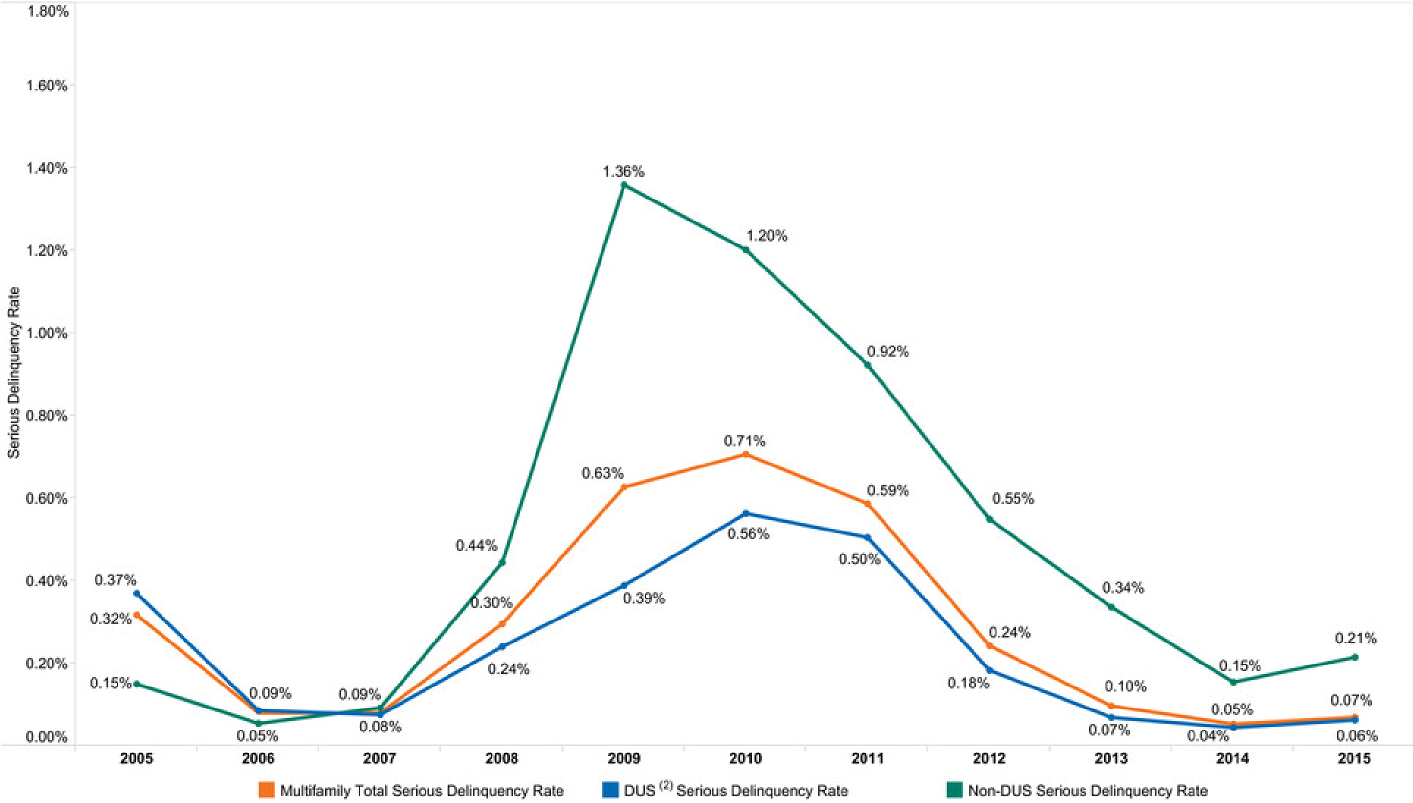
Multifamily Credit Profile by Loan Attributes (cont.)

As of December 31, 2015	UPB ($B)	% of Multifamily Guaranty Book of Business	% DUS Loans[1]	% Seriously[2] Delinquent	2015 Multifamily[3] Credit Losses ($M)	2014 Multifamily[3] Credit Losses ($M)	2013 Multifamily[3] Credit Losses ($M)
Total Multifamily Guaranty Book of Business	$211.8	100%	96%	0.07%	($56)	($46)	$52
By Acquisition Year							
2015	$42.1	20%	100%	0.00%	$0	$0	$0
2014	$28.0	13%	99%	0.01%	$0	$0	$0
2013	$25.4	12%	98%	0.00%	$0	$0	$0
2012	$27.4	13%	97%	0.01%	$0	$0	$0
2011	$18.8	9%	97%	0.10%	$2	$0	($1)
2010	$12.9	6%	96%	0.09%	($1)	$2	$7
2009	$12.5	6%	97%	0.02%	$4	($3)	($14)
2008	$10.5	5%	92%	0.18%	($20)	($4)	($6)
2007	$12.6	6%	69%	0.26%	($17)	($17)	$50
Prior to 2007	$21.5	10%	94%	0.26%	($24)	($25)	$17
Regions							
Midwest	$19.2	9%	97%	0.18%	$1	($3)	($20)
Northeast	$35.2	17%	88%	0.07%	$4	$4	($4)
Southeast	$49.0	23%	99%	0.11%	($19)	($22)	$6
Southwest	$44.9	21%	99%	0.05%	($11)	($21)	($16)
West	$63.6	30%	95%	0.02%	($31)	($4)	$87
Select States							
California	$48.0	23%	94%	0.01%	$0	($2)	$4
Texas	$23.7	11%	99%	0.01%	($6)	($33)	($8)
New York	$20.2	10%	81%	0.06%	$1	$2	$1
Florida	$12.4	6%	99%	0.05%	($3)	($8)	$11
Washington	$8.0	4%	97%	0.02%	$1	$0	$1
Targeted Affordable Segment							
Privately Owned with Subsidy[4]	$29.3	14%	98%	0.14%	($4)	($4)	($8)
Asset Class[5]							
Conventional/Co-op	$189.1	89%	95%	0.08%	($56)	($37)	$52
Seniors Housing	$12.3	6%	98%	0.00%	$7	($3)	$0
Manufactured Housing	$5.7	3%	100%	0.00%	$0	($2)	$0
Student Housing	$4.7	2%	100%	0.07%	($7)	($4)	$1
DUS & Non-DUS Lenders/Servicers							
DUS: Bank (Direct, Owned Entity, or Subsidiary)	$83.9	40%	95%	0.02%	($45)	($28)	$6
DUS: Non-Bank Financial Institution	$122.9	58%	100%	0.10%	($12)	($25)	$39
Non-DUS: Bank (Direct, Owned Entity, or Subsidiary)	$4.5	2%	0%	0.22%	$0	$2	$2
Non-DUS: Non-Bank Financial Institution	$0.3	0%	0%	0.00%	$0	$6	$5
Non-DUS: Public Agency/Non Profit	$0.1	0%	0%	0.00%	$0	$0	$0

(1) Represents the percentage of loans for a given category (row) comprised of DUS loans, measured by unpaid principal balance.
(2) Multifamily loans are classified as seriously delinquent when payment is 60 days or more past due.
(3) Dollar amount of multifamily credit-related losses/(gains) for the applicable period and category. Total credit losses for each period will not tie to sum of all categories due to rounding.
(4) The Multifamily Affordable Business Channel focuses on financing properties that are under an agreement that provides long-term affordability, such as properties with rent subsidies or income restrictions.
(5) See https://www.fanniemae.com/multifamily/index for detailed definitions.

Serious Delinquency[1] Rates of Multifamily Book of Business



(1) Multifamily loans are classified as seriously delinquent when payment is 60 days or more past due. Serious delinquency rate represents the year-end percentage of unpaid principal balance that is seriously delinquent as of December 31 for the time periods noted.
(2) Under the Delegated Underwriting and Servicing, or DUS, program, Fannie Mae acquires individual, newly originated mortgages from specially approved DUS lenders using DUS underwriting standards and/or DUS loan documents. Because DUS lenders generally share the risk of loss with Fannie Mae, they are able to originate, underwrite, close and service most loans without our pre-review.

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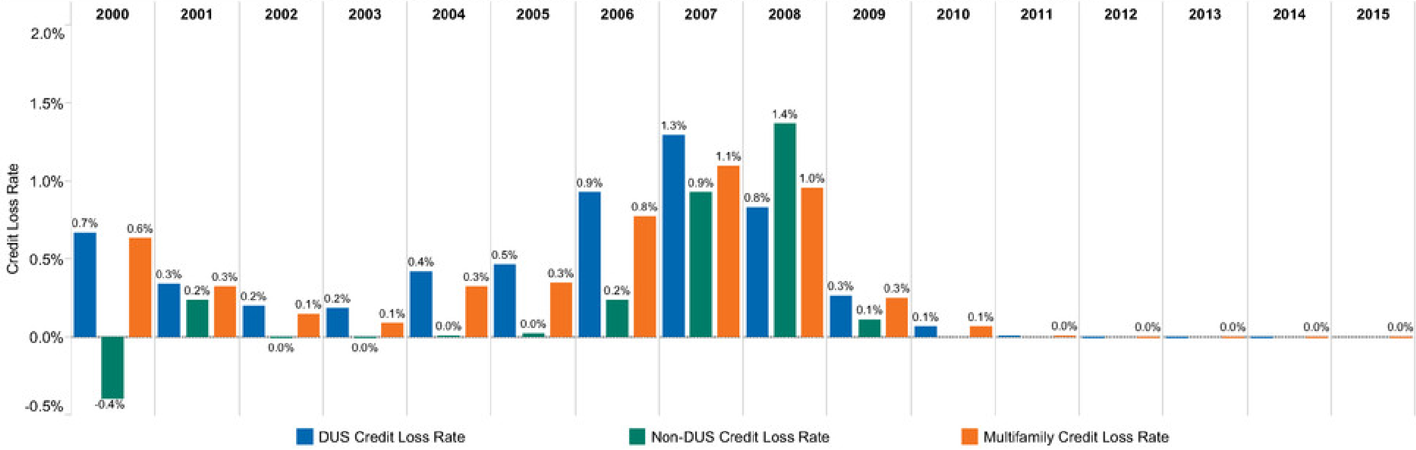
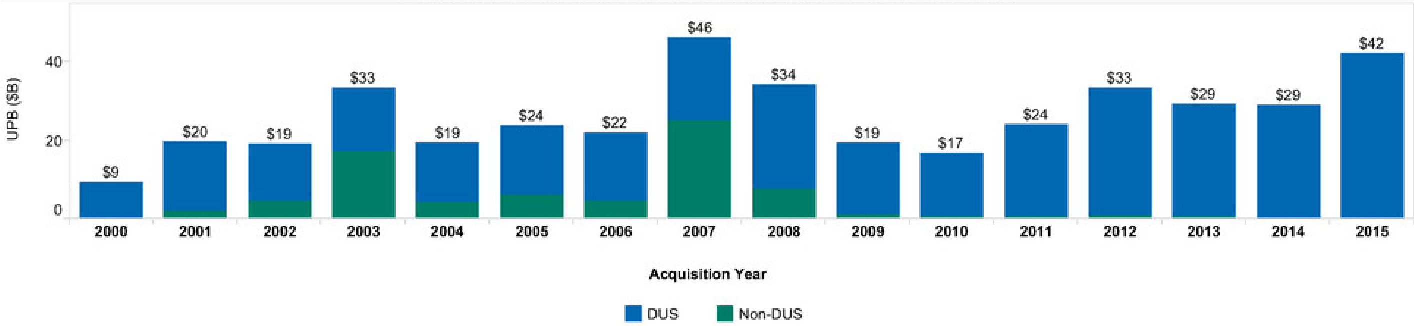
Cumulative Credit Loss Rates of Multifamily Guaranty Book of Business by Acquisition Year

DUS/Non-DUS Cumulative Credit Loss Rates through December 31, 2015 (1)



DUS/Non-DUS Acquisition Unpaid Principal Balance ($B)(2)



(1) Cumulative credit loss rate is the cumulative credit losses (gains) through December 31, 2015 on the loans that were acquired in the applicable period, as a percentage of the total acquired unpaid principal balance in the applicable period.

(2) Acquisition unpaid principal balance represents the total Multifamily volume acquired through purchase or securitization transactions for the applicable year.