UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, DC 20549

FORM 8-K

CURRENT REPORT

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

Date of Report (Date of earliest event reported): November 7, 2012

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

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

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

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

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

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

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

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

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

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

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

Item 2.02 Results of Operations and Financial Condition

On November 7, 2012, Fannie Mae filed its quarterly report on Form 10-Q for the quarter ended September 30, 2012 and issued a news release reporting its financial results for the periods covered by the Form 10-Q. The news release, a copy of which is furnished as Exhibit 99.1 to this report, is incorporated herein by reference.

Item 7.01 Regulation FD Disclosure

On November 7, 2012, Fannie Mae posted to its Web site a 2012 Third-Quarter Credit Supplement presentation consisting primarily of information about Fannie Mae’s guaranty book of business. The presentation, a copy of which is furnished as Exhibit 99.2 to this report, is incorporated herein by reference. Fannie Mae’s Web site address is www.fanniemae.com. Information appearing on the company’s Web site is not incorporated into this report.

Item 9.01 Financial Statements and Exhibits.

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

SIGNATURE

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/ Susan R. McFarland

Susan R. McFarland

Executive Vice President and
Chief Financial Officer

Date: November 7, 2012

EXHIBIT INDEX

The following exhibits are submitted herewith:

Exhibit Number	Description of Exhibit
99.1	News release, dated November 7, 2012
99.2	2012 Third-Quarter Credit Supplement presentation, dated November 7, 2012

FannieMae NEWS RELEASE

Resource Center: 1-800-732-6643

Contact: Pete Bakel
202-752-2034

Date: November 7, 2012

Fannie Mae Reports Net Income of $1.8 Billion for Third Quarter 2012

Company Generates Net Income of $9.7 Billion for First Nine Months of 2012; Expects to Report Annual Net Income for First Time Since 2006

Credit Quality
- High-quality new book of business accounts for 63 percent of single-family guaranty book of business as of September 30, 2012.
- Single-family serious delinquency ("SDQ") rate declined ten consecutive quarters as of third quarter 2012; SDQ rate is substantially lower than private market levels.

Support to the Market Since January 1, 2009
- Funded the mortgage market with approximately $3.0 trillion in liquidity providing financing for
  - 2.5 million home purchases and 8.9 million mortgage refinancings, and
  - 1.5 million units of quality rental housing.
- Enabled homeowners in distress to retain their homes or avoid foreclosure; completed approximately 1.3 million loan workouts, including more than 839,000 modifications.

WASHINGTON, DC – Fannie Mae (FNMA/OTC) today reported net income of $1.8 billion in the third quarter of 2012, compared with a net loss of $5.1 billion in the third quarter of 2011. For the first nine months of 2012, the company has reported $9.7 billion in net income. Lower credit-related expenses resulting from an increase in actual and expected home prices, higher sales prices on the company's real-estate owned ("REO") properties, and a decline in fair value losses contributed to the continued improvement in the company's financial results.

The company reported comprehensive income of $2.6 billion in the third quarter of 2012. The company is able to pay its third-quarter dividend of $2.9 billion to the Department of the Treasury without any draw under its senior preferred stock purchase agreement.

"We are seeing signs of sustained improvement in housing and our actions to support the housing recovery have generated strong financial results in 2012," said Timothy J. Mayopoulos, president and chief executive officer. "Fannie Mae's priorities are well aligned with the public interest. Our financial condition has improved markedly. We have paid the Treasury $8.7 billion in 2012 and our expected ability to pay taxpayers is growing. We continue to fund the mortgage market, assist homeowners in distress, and lay the foundation for a better housing finance system."

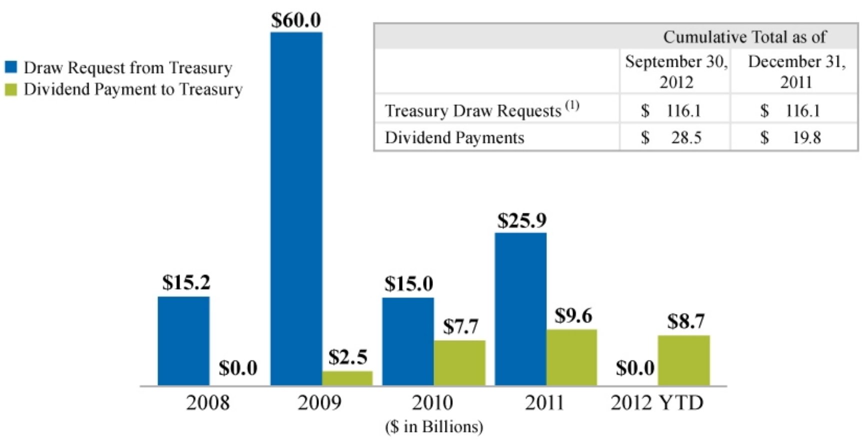
"We reported strong revenue for the first nine months of 2012 and expect to report annual net income for the first time since 2006," said Susan McFarland, executive vice president and chief financial officer. "The improvement in our financial condition was driven primarily by a substantial reduction in credit expense due, in large part, to higher home prices and a reduction in seriously delinquent loans. We continue to focus on foreclosure prevention solutions to reduce delinquencies and to keep homeowners in their homes."

As a result of the company's positive net worth as of September 30, 2012, the company will not request a draw from Treasury for the third quarter of 2012 under the senior preferred stock purchase agreement between Fannie Mae and Treasury. The total liquidation preference of Treasury's senior preferred stock remains at $117.1 billion, which requires a dividend payment of $2.9 billion for the fourth quarter of 2012. Through September 30, 2012, Fannie Mae has paid $28.5 billion in cash dividends to Treasury on the senior preferred stock.

In August 2012, the terms governing the company's dividend obligations on the senior preferred stock were amended. Beginning in 2013, the required senior preferred stock dividends each quarter will equal the amount, if any, by which the company's net worth as of the end of the preceding quarter exceeds an applicable capital reserve amount. The applicable capital reserve amount will be $3.0 billion for each quarter of 2013 and will be reduced by $600 million each year until it reaches zero in 2018.

Fannie Mae is not permitted to redeem the senior preferred stock prior to the termination of Treasury's funding commitment under the senior preferred stock purchase agreement. The limited circumstances under which Treasury's funding commitment will terminate are described in "Business—Conservatorship and Treasury Agreements" in the company's annual report on Form 10-K for the year ended December 31, 2011.

Treasury Draw Requests and Dividend Payments



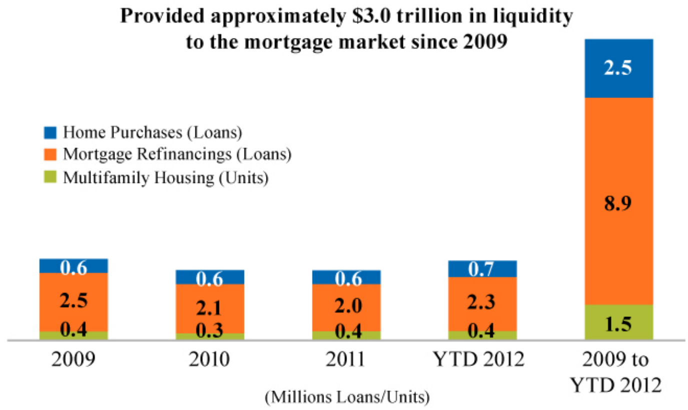
(1) Treasury draw requests are shown in the period for which they were requested and do not include the initial $1.0 billion liquidation preference of Fannie Mae's senior preferred stock, for which Fannie Mae did not receive any cash proceeds.

HURRICANE SANDY MORTGAGE RELIEF

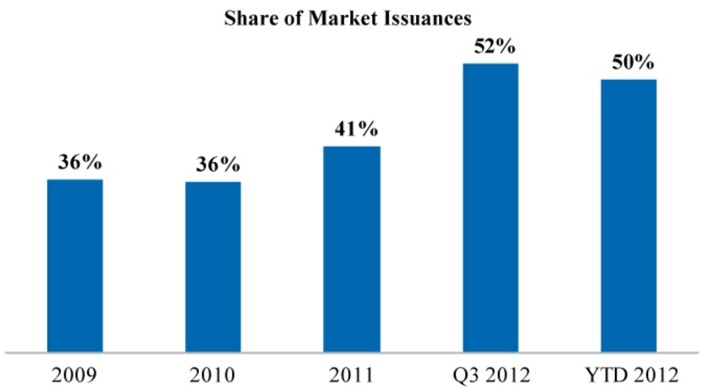
Fannie Mae is taking steps to help homeowners impacted by Hurricane Sandy. The company has authorized its mortgage servicers to provide a full range of mortgage relief options to homeowners with mortgages owned or guaranteed by Fannie Mae whose homes were damaged or who experienced a disruption in income as a result of Hurricane Sandy. Options available to Fannie Mae servicers include: extending forbearance on mortgage payments for up to 12 months, where appropriate; providing loan modifications; waiving late payment charges; suspending the reporting of forbearance or delinquency to credit bureaus for a homeowner who has been granted relief; and suspending the initiation of a foreclosure action.

PROVIDING LIQUIDITY AND SUPPORT TO THE MARKET

Fannie Mae provided approximately $3.0 trillion in liquidity to the mortgage market from January 1, 2009 through September 30, 2012 through its purchases and guarantees of loans, which enabled borrowers to complete 8.9 million mortgage refinancings and 2.5 million home purchases, and provided financing for 1.5 million units of multifamily housing.



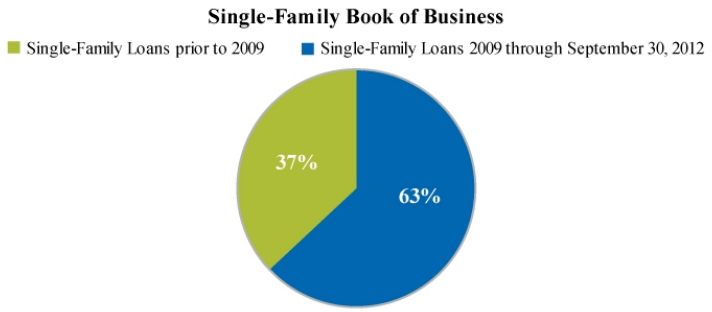
The company remained the largest single issuer of single-family mortgage-related securities in the secondary market in the third quarter of 2012, with an estimated market share of new single-family mortgage-related securities issuances of 52 percent, compared with 43 percent in the third quarter of 2011. Fannie Mae also remained a constant source of liquidity in the multifamily market. As of June 30, 2012 (the latest date for which information is available), the company owned or guaranteed approximately 22 percent of the outstanding debt on multifamily properties.



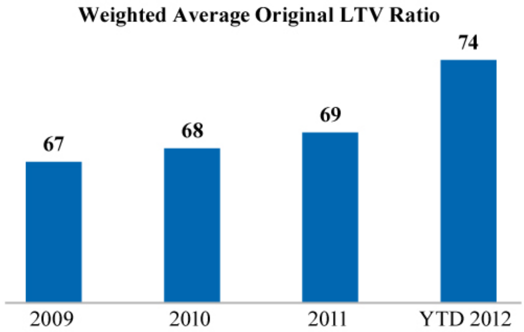
In addition to continuing to provide liquidity and support to the mortgage market, Fannie Mae has devoted significant resources towards helping to build a new housing finance system for the future, primarily through pursuing the strategic goals identified by its conservator, the Federal Housing Finance Agency. These strategic goals are: build a new infrastructure for the secondary mortgage market; gradually contract the company’s dominant presence in the marketplace while simplifying and shrinking its operations; and maintain foreclosure prevention activities and credit availability for new and refinanced mortgages.

CREDIT QUALITY

New Single-Family Book of Business: Since 2009, Fannie Mae has seen the effect of the actions it took, beginning in 2008, to significantly strengthen its underwriting and eligibility standards and change its pricing to promote sustainable homeownership and stability in the housing market. Sixty-three percent of Fannie Mae’s single-family guaranty book of business as of September 30, 2012 consisted of loans it had purchased or guaranteed since the beginning of 2009. While it is too early to know how the single-family loans the company has acquired since January 1, 2009 will ultimately perform, given their strong credit risk profile and based on their performance so far, the company expects that these loans, in the aggregate, will be profitable over their lifetime, meaning the company’s fee income on these loans will exceed the company’s credit losses and administrative costs for them. If future conditions turn out to be more unfavorable than the company’s expectations, these loans could become unprofitable.

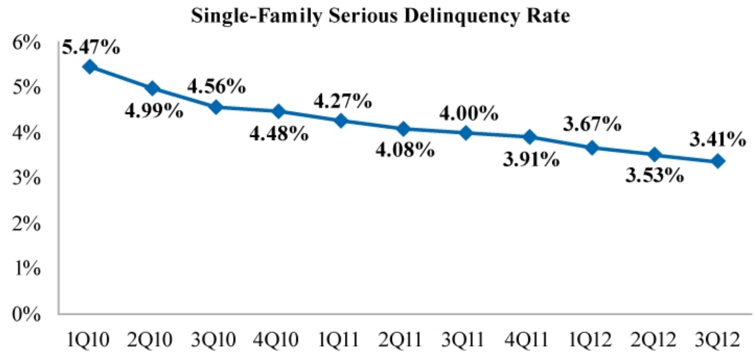


Single-family conventional loans acquired by Fannie Mae in the first nine months of 2012 had a weighted average FICO credit score at origination of 761 and an average original loan-to-value (“LTV”) ratio of 74 percent. The average original LTV ratio for the company’s acquisitions increased in the first nine months of 2012 because the company acquired more loans with higher LTV ratios in that period than in prior periods as changes to the Home Affordable Refinance Program (“HARP”) were implemented.



Fannie Mae's Expectations Regarding Future Loss Reserves and Credit-Related Expenses: The company's total loss reserves decreased to $66.9 billion as of September 30, 2012 from $76.9 billion as of December 31, 2011. The company expects the trends of stabilizing home prices and declining single-family serious delinquency rates will continue, although it expects serious delinquency rates to decline at a slower pace than in recent periods. As a result, the company believes that its total loss reserves peaked as of December 31, 2011. Accordingly, the company does not expect total loss reserves to increase above $76.9 billion in the foreseeable future. The company also believes that its credit-related expenses will be significantly lower in 2012 than in 2011. Although the company expects these positive trends to continue, the amount of credit-related expenses the company recognizes in future periods could vary significantly from period to period, and may be affected by many different factors. For information on factors that may affect future credit-related expenses and other risk factors, please refer to the company's quarterly report on Form 10-Q for the quarter ended September 30, 2012.

Fannie Mae's single-family serious delinquency rate has declined each quarter since the first quarter of 2010, and was 3.41 percent as of September 30, 2012, 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, as well as the company's acquisition of loans with stronger credit profiles since the beginning of 2009.



HOME RETENTION SOLUTIONS AND FORECLOSURE ALTERNATIVES

To reduce the credit losses Fannie Mae ultimately incurs on its legacy book of business, the company has been focusing its efforts on several strategies, including reducing defaults by offering home retention solutions, such as loan modifications. Fannie Mae completed nearly 42,000 loan modifications during the third quarter of 2012, bringing the total number of loan modifications the company has completed since January 1, 2009 to more than 839,000.

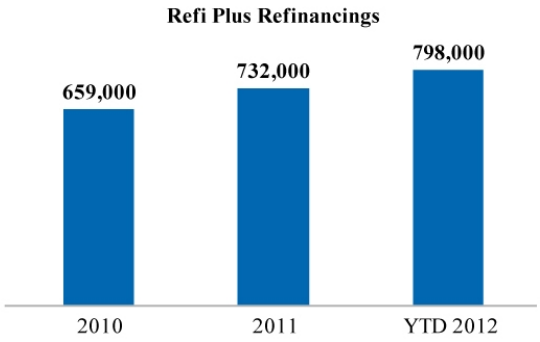
As the company works to reduce credit losses, it also seeks to assist struggling borrowers, help stabilize communities, and support the housing market. In dealing with struggling borrowers, Fannie Mae first seeks home retention solutions, which enable borrowers to stay in their homes, before turning to foreclosure alternatives. If the company is unable to provide a viable home retention solution for a struggling borrower, the company seeks to offer a foreclosure alternative and complete it in a timely manner. From January 1, 2009 through September 30, 2012, the company completed approximately 264,000 preforeclosure sales (also known as short sales) and deeds-in-lieu of foreclosure. When there is no viable home retention solution or foreclosure alternative that can be applied, the company seeks to move to foreclosure expeditiously. The goal of these efforts is to help minimize delinquencies that can adversely impact local home values and destabilize communities, as well as lower costs to Fannie Mae.

Single-Family Loan Workouts

	For the Nine Months Ended September 30, 2012		For the Year Ended December 31, 2011		2010		2009	
	Unpaid Principal Balance	Number of Loans	Unpaid Principal Balance	Number of Loans	Unpaid Principal Balance	Number of Loans	Unpaid Principal Balance	Number of Loans
	(Dollars in millions)							
Home retention strategies:								
Modifications	$ 23,214	123,700	$ 42,793	213,340	$ 82,826	403,506	$ 18,702	98,575
Repayment plans and forbearances completed	2,708	18,997	5,042	35,318	4,385	31,579	2,930	22,948
HomeSaver Advance first-lien loans	-	-	-	-	688	5,191	6,057	39,199
	25,922	142,697	47,835	248,658	87,899	440,276	27,689	160,722
Foreclosure alternatives:								
Short sales	12,629	58,376	15,412	70,275	15,899	69,634	8,457	36,968
Deeds-in-lieu of foreclosure	1,904	11,172	1,679	9,558	1,053	5,757	491	2,649
	14,533	69,548	17,091	79,833	16,952	75,391	8,948	39,617
Total loan workouts	$ 40,455	212,245	$ 64,926	328,491	$ 104,851	515,667	$ 36,637	200,339
Loan workouts as a percentage of single-family guaranty book of business	1.90%	1.60%	2.29%	1.85%	3.66%	2.87%	1.26%	1.10%

REFINANCING INITIATIVES

Through the company's Refi Plus™ initiative, which provides expanded refinance opportunities for eligible Fannie Mae borrowers and includes HARP, the company acquired approximately 312,000 loans in the third quarter of 2012. Some borrowers' monthly payments increased as they took advantage of the ability to refinance through Refi Plus to reduce the term of their loan, to switch from an adjustable-rate mortgage to a fixed-rate mortgage, or to switch from an interest-only mortgage to a fully amortizing mortgage. Even taking these into account, refinancings delivered to Fannie Mae through Refi Plus in the third quarter of 2012 reduced borrowers' monthly mortgage payments by an average of $221.



FORECLOSURES AND REO

Fannie Mae acquired 41,884 single-family REO properties, primarily through foreclosure, in the third quarter of 2012, compared with 43,783 in the second quarter of 2012. As of September 30, 2012, the company's inventory of single-family REO properties was 107,225, compared with 109,266 as of June 30, 2012. The carrying value of the company's single-family REO was $9.3 billion as of September 30, 2012.

The company's single-family foreclosure rate was 1.01 percent for the first nine months of 2012. This reflects the annualized 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.

Single-Family Foreclosed Properties

	For the Nine Months Ended September 30, 2012	2011
Single-family foreclosed properties (number of properties):		
Beginning of period inventory of single-family foreclosed properties (REO)	118,528	162,489
Total properties acquired through foreclosure	133,367	152,440
Dispositions of REO	(144,670)	(192,313)
End of period inventory of single-family foreclosed properties (REO)	107,225	122,616
Carrying value of single-family foreclosed properties (dollars in millions)	$ 9,302	$ 11,039
Single-family foreclosure rate	1.01 %	1.15 %

The company provides further discussion of its financial results and condition, credit performance, fair value balance sheets, and other matters in its quarterly report on Form 10-Q for the quarter ended September 30, 2012, which was filed today with the Securities and Exchange Commission. Further information about the company's credit performance, the characteristics of its guaranty book of business, the drivers of its credit losses, its foreclosure-prevention efforts, and other measures is contained in the "2012 Third-Quarter Credit Supplement" on Fannie Mae's Web site, www.fanniemae.com.

# # #

In this release and the accompanying Appendix, the company has presented a number of estimates, forecasts, expectations, and other forward-looking statements regarding the company's future earnings and financial results; the value the company can deliver to taxpayers; the company's future loss reserves and credit-related expenses; the profitability of its loans; its draws from dividends to be paid to Treasury; the trends of stabilizing home prices and declining serious delinquency rates; the impact of the company's actions on its future losses, delinquencies, costs and credit losses; and future volatility in the fair value *of the company's trading securities and derivatives. These estimates, forecasts, expectations, and statements are forward looking statements based on the company's current assumptions regarding numerous factors, including future home prices and the future performance of its loans. Actual results, and future projections, could be materially different from what is set forth in the forward-looking statements as a result of home price changes, interest rate changes, unemployment rates, other macroeconomic variables, government policy, credit availability, social behaviors, including increases in the number of underwater borrowers who strategically default on their mortgage loan, the volume of loans it modifies, the nature, volume and effectiveness of its loss mitigation strategies and activities, management of its real estate owned inventory and pursuit of contractual remedies, changes in the fair value of its assets and liabilities, impairments of its assets, the adequacy of its loss reserves, future legislative or regulatory requirements that have a significant impact on the company's business such as a requirement that the company implement a principal forgiveness program, 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, failures by its mortgage seller-servicers to fulfill their repurchase obligations to it, its ability to maintain a positive net worth, effects from activities the company takes to support the mortgage market and help homeowners, the conservatorship and its effect on the company's business, the investment by Treasury and its effect on the company's business, 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 performance of the company's servicers, conditions in the foreclosure environment, natural or other disasters, and many other factors, including those discussed in the "Risk Factors" section of and elsewhere in the company's quarterly report on Form 10-Q for the quarter ended September 30, 2012 and its annual report on Form 10-K for the year ended December 31, 2011, 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 exists to expand affordable housing and bring global capital to local communities in order to serve the U.S. housing market. Fannie Mae has a federal charter and operates in America's secondary mortgage market to enhance the liquidity of the mortgage market by purchasing or guaranteeing mortgage loans originated by mortgage bankers and other lenders so that they may lend to home buyers. Our job is to help those who house America.

APPENDIX

SUMMARY OF THIRD QUARTER 2012 RESULTS

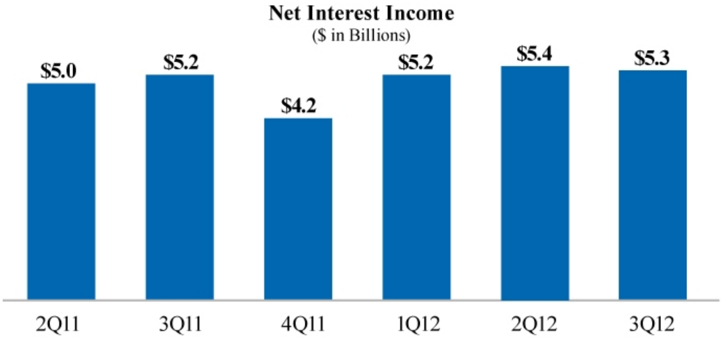
Fannie Mae reported net income of $1.8 billion for the third quarter of 2012, compared with net income of $5.1 billion for the second quarter of 2012 and a net loss of $5.1 billion for the third quarter of 2011. As a result of the company's positive net worth as of September 30, 2012, which takes into account dividends paid on senior preferred stock held by Treasury, the company will not request a draw for the quarter from Treasury under the senior preferred stock purchase agreement.

Summary of Financial Results

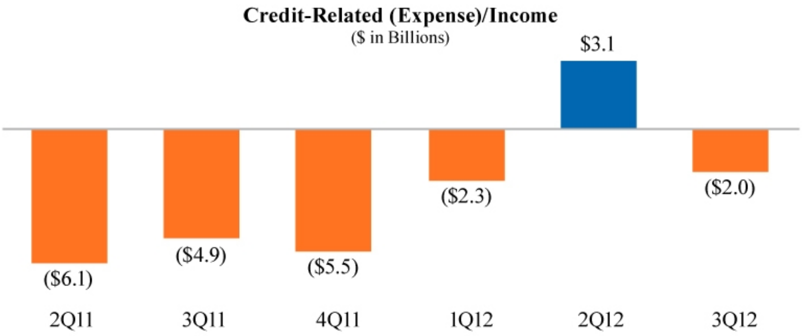
(Dollars in millions)	3Q12	2Q12	Variance	3Q11	Variance
Net interest income	$ 5,317	$ 5,428	$ (111)	$ 5,186	$ 131
Fee and other income	378	395	(17)	291	87
Net revenues	5,695	5,823	(128)	5,477	218
Investment gains, net	134	131	3	73	61
Net other-than-temporary impairments	(38)	(599)	561	(262)	224
Fair value losses, net	(1,020)	(2,449)	1,429	(4,525)	3,505
Administrative expenses	(588)	(567)	(21)	(591)	3
Credit-related (expenses) income					
(Provision) benefit for credit losses	(2,079)	3,041	(5,120)	(4,151)	2,072
Foreclosed property income (expense)	48	70	(22)	(733)	781
Total credit-related (expenses) income	(2,031)	3,111	(5,142)	(4,884)	2,853
Other non-interest expenses [(1)]	(339)	(331)	(8)	(373)	34
Net losses and expenses	(3,882)	(704)	(3,178)	(10,562)	6,680
Net income (loss)	1,813	5,119	(3,306)	(5,085)	6,898
Less: Net loss (income) attributable to noncontrolling interest	8	(5)	13	-	8
Net income (loss) attributable to Fannie Mae	$ 1,821	$ 5,114	$ (3,293)	$ (5,085)	$ 6,906
Total comprehensive income (loss) attributable to Fannie Mae	$ 2,567	$ 5,442	$ (2,875)	$ (5,282)	$ 7,849
Preferred stock dividends	$ (2,929)	$ (2,929)	$ -	$ (2,494)	$ (435)

(1) Consists of debt extinguishment (losses) gains, net and other expenses.

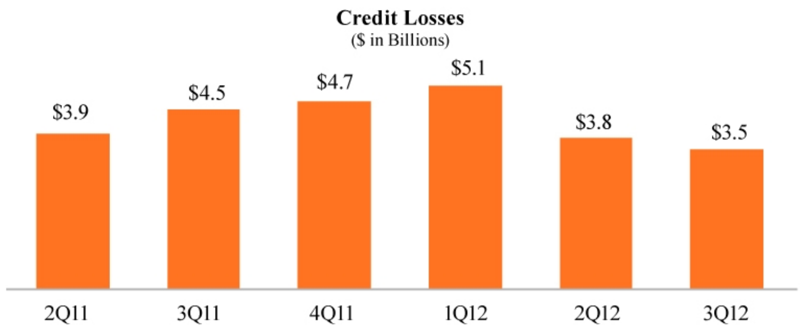
Net revenues were $5.7 billion in the third quarter of 2012, compared with $5.8 billion in the second quarter of 2012. Net interest income was $5.3 billion, compared with $5.4 billion in the second quarter of 2012. The decrease in net interest income compared with the second quarter of 2012 was due primarily to decreasing interest income on the company's mortgage securities and loans held in its retained portfolio partially offset by lower interest expense on its Fannie Mae debt.



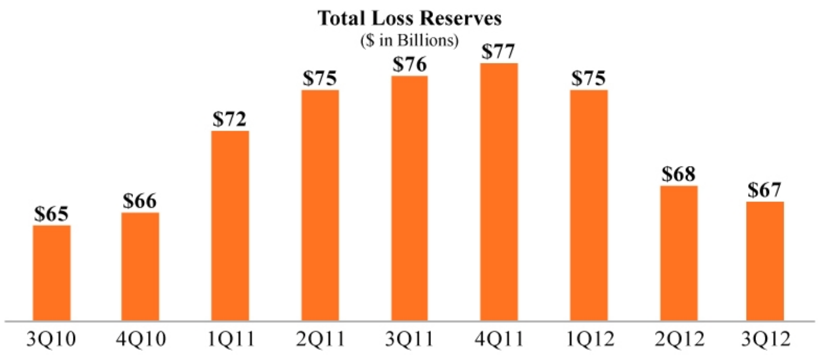
Credit-related expenses, which consist of the provision for credit losses and foreclosed property expense, were $2.0 billion in the third quarter of 2012, compared with $3.1 billion in credit-related income in the second quarter of 2012. The shift to credit-related expenses in the third quarter of 2012 from credit-related income in the second quarter of 2012 was due primarily to an increase in the expected lives of modified loans as the company updated its assumptions with more recent data, which increased the expected cost related to concessions the company has granted to borrowers. While the company's expectations of credit loss decreased due to better performance of its modified loans, the concessions granted to borrowers from modifications increased due to the longer average life of the loans. In addition, the company's provision for credit losses in the third quarter of 2012 was negatively impacted by a change in its accounting for loans to certain borrowers who have received bankruptcy relief. This change led to an increase in the number of loans the company classifies as troubled debt restructurings, resulting in an increase in its provision for credit losses.



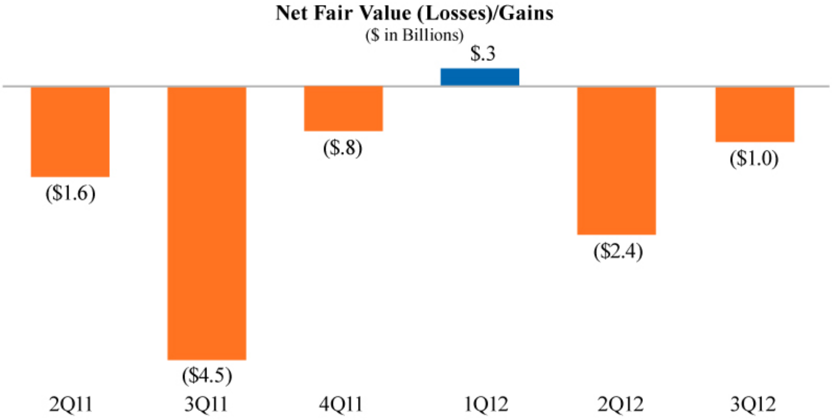
Credit losses, which the company defines as net charge-offs plus foreclosed property expense, excluding the effect of certain fair-value losses, were $3.5 billion in the third quarter of 2012, compared with $3.8 billion in the second quarter of 2012. The decrease in credit losses was due primarily to improved REO prices, and a decrease in volume of foreclosure and short sale activity.



Total loss reserves, which reflect the company's estimate of the probable losses the company has incurred in its guaranty book of business, including concessions it granted borrowers upon modification of their loans, were $66.9 billion as of September 30, 2012, compared with $68.0 billion as of June 30, 2012 and $76.9 billion as of December 31, 2011. The total loss reserve coverage to total nonperforming loans was 26 percent as of September 30, 2012, compared with 28 percent as of June 30, 2012 and 31 percent as of December 31, 2011.



Net fair value losses were $1.0 billion in the third quarter of 2012, compared with net fair value losses of $2.4 billion in the second quarter of 2012. Fair value losses declined in the third quarter of 2012 due to lower derivative losses because interest rates declined less in the third quarter of 2012 than they did in the second quarter of 2012. The estimated fair value of the company's trading securities and derivatives may fluctuate substantially from period to period because of changes in interest rates, credit spreads, and interest rate volatility, as well as activity related to these financial instruments.



BUSINESS SEGMENT RESULTS

The business groups running Fannie Mae's three reporting segments – its Single-Family business, its Multifamily business, and its Capital Markets group – engage in complementary business activities in pursuing the company's mission of providing liquidity, stability, and affordability to the U.S. housing market. The company's Single-Family and Multifamily businesses work with Fannie Mae's lender customers, who deliver mortgage loans that the company purchases and securitizes into Fannie Mae MBS. The Capital Markets group manages the company's investment activity in mortgage-related assets and other interest-earning non-mortgage investments, funding investments in mortgage-related assets primarily with proceeds received from the issuance of Fannie Mae debt securities in the domestic and international capital markets. The Capital Markets group also provides liquidity to the mortgage market through short-term financing and other activities.

Single-Family business had a net loss of $822 million in the third quarter of 2012, compared with net income of $4.4 billion in the second quarter of 2012. The shift to a net loss in the third quarter of 2012 was due primarily to credit-related expenses of $2.1 billion. The Single-Family guaranty book of business was $2.85 trillion as of September 30, 2012, compared with $2.84 trillion as of June 30, 2012. Single-Family guaranty fee income was $2.0 billion for both the third quarter of 2012 and the second quarter of 2012.

Multifamily had net income of $427 million in the third quarter of 2012, compared with $358 million in the second quarter of 2012. The Multifamily guaranty book of business was $202.2 billion as of September 30, 2012, compared with $198.5 billion as of June 30, 2012. Multifamily recorded credit-related income of $99 million in the third quarter of 2012, compared with $96 million in the second quarter of 2012. Multifamily guaranty fee income was $265 million for the third quarter of 2012 and $252 million for the second quarter of 2012.

Capital Markets group had net income of $4.1 billion in the third quarter of 2012, compared with $1.5 billion in the second quarter of 2012. Capital Markets' net interest income for the third quarter of 2012 was $3.2 billion, compared with $3.4 billion for the second quarter of 2012. Fair value losses were $1.0 billion, compared with fair value losses of $2.5 billion in the second quarter of 2012. The Capital Markets mortgage investment portfolio balance decreased to $654.3 billion as of September 30, 2012, compared with $708.4 billion as of December 31, 2011, resulting from purchases of $199.1 billion, liquidations of $104.9 billion, and sales of $148.3 billion during the year.

Business Segments

($ in Millions)	3Q12	2Q12	Variance	3Q11	Variance
Single-Family Segment:					
Guaranty fee income	$ 2,014	$ 1,970	$ 44	$ 1,867	$ 147
Credit-related (expenses) income	(2,130)	3,015	(5,145)	(4,782)	2,652
Other	(706)	(631)	(75)	(831)	125
Net (loss) income	$ (822)	$ 4,354	$ (5,176)	$ (3,746)	$ 2,924
Multifamily Segment:					
Guaranty fee income	$ 265	$ 252	$ 13	$ 226	$ 39
Credit-related income (expenses)	99	96	3	(102)	201
Other	63	10	53	(52)	115
Net income	$ 427	$ 358	$ 69	$ 72	$ 355
Capital Markets Segment:					
Net interest income	$ 3,247	$ 3,443	$ (196)	$ 3,904	$ (657)
Investment gains, net	2,201	1,458	743	801	1,400
Fair value losses, net	(961)	(2,461)	1,500	(4,670)	3,709
Other	(365)	(967)	602	(746)	381
Net income (loss)	$ 4,122	$ 1,473	$ 2,649	$ (711)	$ 4,833

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

	As of	
	September 30, 2012	December 31, 2011
ASSETS		
Cash and cash equivalents	$ 20,674	$ 17,539
Restricted cash (includes $54,750 and $45,900, respectively, related to consolidated trusts)	59,944	50,797
Federal funds sold and securities purchased under agreements to resell or similar arrangements	45,500	46,000
Investments in securities:		
Trading, at fair value	42,522	74,198
Available-for-sale, at fair value (includes $1,042 and $1,191, respectively, related to consolidated trusts)	66,352	77,582
Total investments in securities	108,874	151,780
Mortgage loans:		
Loans held for sale, at lower of cost or fair value (includes $95 and $66, respectively, related to consolidated trusts)	490	311
Loans held for investment, at amortized cost:		
Of Fannie Mae	363,064	380,134
Of consolidated trusts (includes $7,840 and $3,611, respectively, at fair value and loans pledged as collateral that may be sold or repledged of $1,040 and $798, respectively)	2,642,354	2,590,332
Total loans held for investment	3,005,418	2,970,466
Allowance for loan losses	(63,012)	(72,156)
Total loans held for investment, net of allowance	2,942,406	2,898,310
Total mortgage loans	2,942,896	2,898,621
Accrued interest receivable, net (includes $8,358 and $8,466, respectively, related to consolidated trusts)	9,963	10,000
Acquired property, net	10,278	11,373
Other assets (includes cash pledged as collateral of $2,038 and $1,109, respectively)	28,121	25,374
Total assets	$ 3,226,250	$ 3,211,484
LIABILITIES AND EQUITY (DEFICIT)		
Liabilities:		
Accrued interest payable (includes $8,856 and $9,302, respectively, related to consolidated trusts)	$ 11,732	$ 12,648
Debt:		
Of Fannie Mae (includes $830 and $838, respectively, at fair value)	652,971	732,444
Of consolidated trusts (includes $7,368 and $3,939, respectively, at fair value)	2,543,739	2,457,428
Other liabilities (includes $715 and $629, respectively, related to consolidated trusts)	15,396	13,535
Total liabilities	3,223,838	3,216,055
Commitments and contingencies	—	—
Fannie Mae stockholders' equity (deficit):		
Senior preferred stock, 1,000,000 shares issued and outstanding	117,149	112,578
Preferred stock, 700,000,000 shares are authorized—555,374,922 shares issued and outstanding, respectively	19,130	19,130
Common stock, no par value, no maximum authorization—1,308,762,703 shares issued, respectively, 1,158,077,970 and 1,157,767,400 shares outstanding, respectively	687	687
Accumulated deficit	(127,407)	(128,381)
Accumulated other comprehensive income (loss)	201	(1,235)
Treasury stock, at cost, 150,684,733 and 150,995,303 shares, respectively	(7,401)	(7,403)
Total Fannie Mae stockholders' equity (deficit)	2,359	(4,624)
Noncontrolling interest	53	53
Total equity (deficit)	2,412	(4,571)
Total liabilities and equity (deficit)	$ 3,226,250	$ 3,211,484

See Notes to Condensed Consolidated Financial Statements

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

	For the Three Months Ended September 30,		For the Nine Months Ended September 30,	
	2012	2011	2012	2011
Interest income:				
Trading securities	$ 234	$ 274	$ 756	$ 822
Available-for-sale securities	789	1,160	2,551	3,525
Mortgage loans (includes $27,057 and $30,633, respectively, for the three months ended and $84,482 and $94,111, respectively, for the nine months ended related to consolidated trusts)	30,593	34,334	95,186	105,257
Other	53	26	131	79
Total interest income	31,669	35,794	98,624	109,683
Interest expense:				
Short-term debt	38	66	112	254
Long-term debt (includes $23,395 and $27,157, respectively, for the three months ended and $73,469 and $82,928, respectively, for the nine months ended related to consolidated trusts)	26,314	30,542	82,570	94,311
Total interest expense	26,352	30,608	82,682	94,565
Net interest income	5,317	5,186	15,942	15,118
Provision for credit losses	(2,079)	(4,151)	(1,038)	(21,242)
Net interest income (loss) after provision for credit losses	3,238	1,035	14,904	(6,124)
Investment gains, net	134	73	381	319
Other-than-temporary impairments	(17)	(232)	(293)	(317)
Noncredit portion of other-than-temporary impairments recognized in other comprehensive income	(21)	(30)	(408)	(45)
Net other-than-temporary impairments	(38)	(262)	(701)	(362)
Fair value losses, net	(1,020)	(4,525)	(3,186)	(5,870)
Debt extinguishment losses, net	(54)	(119)	(181)	(149)
Fee and other income	378	291	1,148	793
Non-interest loss	(600)	(4,542)	(2,539)	(5,269)
Administrative expenses:				
Salaries and employee benefits	294	323	892	953
Professional services	195	173	542	531
Occupancy expenses	48	46	139	131
Other administrative expenses	51	49	146	150
Total administrative expenses	588	591	1,719	1,765
Foreclosed property (income) expense	(48)	733	221	743
Other expenses	285	254	775	638
Total expenses	825	1,578	2,715	3,146
Income (loss) before federal income taxes	1,813	(5,085)	9,650	(14,539)
Benefit for federal income taxes	—	—	—	91
Net income (loss)	1,813	(5,085)	9,650	(14,448)
Other comprehensive income (loss):				
Changes in unrealized gains (losses) on available-for-sale securities, net of reclassification adjustments and taxes	741	(198)	1,416	(20)
Other	5	1	20	6
Total other comprehensive income (loss)	746	(197)	1,436	(14)
Total comprehensive income (loss)	2,559	(5,282)	11,086	(14,462)
Less: Comprehensive loss (income) attributable to the noncontrolling interest	8	—	4	(1)
Total comprehensive income (loss) attributable to Fannie Mae	$ 2,567	$ (5,282)	$ 11,090	$ (14,463)
Net income (loss)	$ 1,813	$ (5,085)	$ 9,650	$ (14,448)
Less: Net loss (income) attributable to the noncontrolling interest	8	—	4	(1)
Net income (loss) attributable to Fannie Mae	1,821	(5,085)	9,654	(14,449)
Preferred stock dividends	(2,929)	(2,494)	(8,675)	(6,992)
Net (loss) income attributable to common stockholders	$ (1,108)	$ (7,579)	$ 979	$ (21,441)
(Loss) earnings per share:				
Basic	$ (0.19)	$ (1.32)	$ 0.17	$ (3.74)
Diluted	(0.19)	(1.32)	0.17	(3.74)
Weighted-average common shares outstanding:				
Basic	5,762	5,760	5,762	5,730
Diluted	5,762	5,760	5,893	5,730

See Notes to Condensed Consolidated Financial Statements

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

	For the Nine Months Ended September 30, 2012	For the Nine Months Ended September 30, 2011
Net cash provided by (used in) operating activities	$ 32,279	$ (6,714)
Cash flows provided by investing activities:		
Purchases of trading securities held for investment	(1,542)	(2,483)
Proceeds from maturities and paydowns of trading securities held for investment	2,671	1,672
Proceeds from sales of trading securities held for investment	1,357	837
Purchases of available-for-sale securities	(34)	(44)
Proceeds from maturities and paydowns of available-for-sale securities	9,423	9,995
Proceeds from sales of available-for-sale securities	923	2,590
Purchases of loans held for investment	(141,539)	(44,276)
Proceeds from repayments of loans held for investment of Fannie Mae	22,540	18,467
Proceeds from repayments of loans held for investment of consolidated trusts	568,881	364,500
Net change in restricted cash	(9,147)	7,717
Advances to lenders	(97,508)	(43,363)
Proceeds from disposition of acquired property and preforeclosure sales	29,822	36,280
Net change in federal funds sold and securities purchased under agreements to resell or similar agreements	500	(24,199)
Other, net	56	137
Net cash provided by investing activities	386,403	327,830
Cash flows used in financing activities:		
Proceeds from issuance of debt of Fannie Mae	550,087	572,828
Payments to redeem debt of Fannie Mae	(630,546)	(609,399)
Proceeds from issuance of debt of consolidated trusts	270,552	157,280
Payments to redeem debt of consolidated trusts	(601,523)	(444,160)
Payments of cash dividends on senior preferred stock to Treasury	(8,679)	(6,992)
Proceeds from senior preferred stock purchase agreement with Treasury	4,571	16,187
Other, net	(9)	150
Net cash used in financing activities	(415,547)	(314,106)
Net increase in cash and cash equivalents	3,135	7,010
Cash and cash equivalents at beginning of period	17,539	17,297
Cash and cash equivalents at end of period	$ 20,674	$ 24,307
Cash paid during the period for interest	$ 90,338	$ 97,592

See Notes to Condensed Consolidated Financial Statements

Exhibit 99.2

Fannie Mae
2012 Third-Quarter Credit Supplement

November 7, 2012

- This presentation includes information about Fannie Mae, including information contained in Fannie Mae's Quarterly Report on Form 10-Q for the quarter ended September 30, 2012, the "2012 Q3 Form 10-Q." Some of the terms used in these materials are defined and discussed more fully in the 2012 Q3 Form 10-Q and in Fannie Mae's Form 10-K for the year ended December 31, 2011, the "2011 Form 10-K." These materials should be reviewed together with the 2012 Q3 Form 10-Q and the 2011 Form 10-K, copies of which are available on the "SEC Filings" page in the "Investor Relations" section of Fannie Mae's Web site at www.fanniemae.com.
- Some of the information in this presentation is based upon information that we received from third-party sources such as sellers and servicers of mortgage loans. Although we generally consider this information reliable, we do not independently verify all reported information.
- This presentation includes forward-looking statements relating to future home price changes. Future home price changes may be very different from our estimates as a result of significant inherent uncertainty in the current market environment, including uncertainty about the effect of actions the federal government has taken and may take with respect to tax policies, spending cuts, mortgage finance programs and policies, and housing finance reform; the management of the Federal Reserve's MBS holdings; the impact of those actions on and changes generally in unemployment and the general economic and interest rate environment; and the impact on the U.S. economy of the European debt crisis. The impact of future home price changes on our business, results or financial condition will depend on many other factors.
- Due to rounding, amounts reported in this presentation may not add to totals indicated (or 100%). A zero indicates less than one half of one percent. A dash indicates a null value.

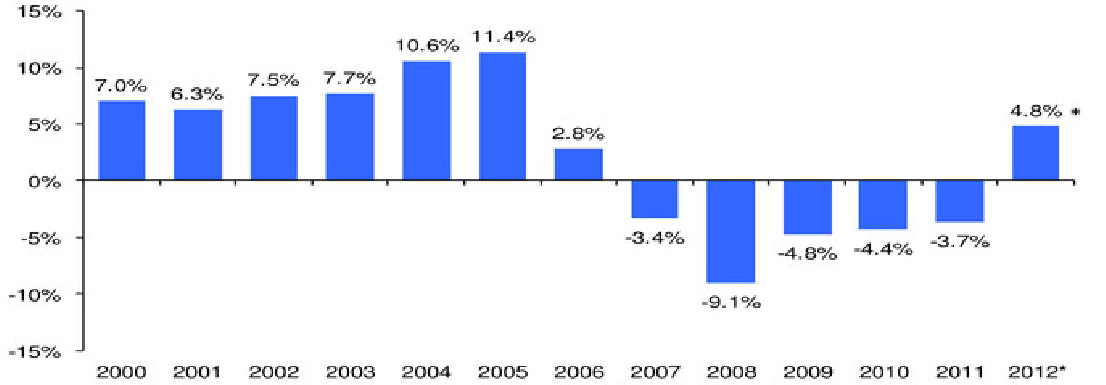
FannieMae

Table of Contents

Slide

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

Fannie Mae Home Price Index



S&P/Case-Shiller Index	9.8%	7.7%	10.6%	10.7%	14.6%	14.7%	-0.3%	-8.4%	-18.4%	-2.5%	-3.7%	-3.7%	5.1%**

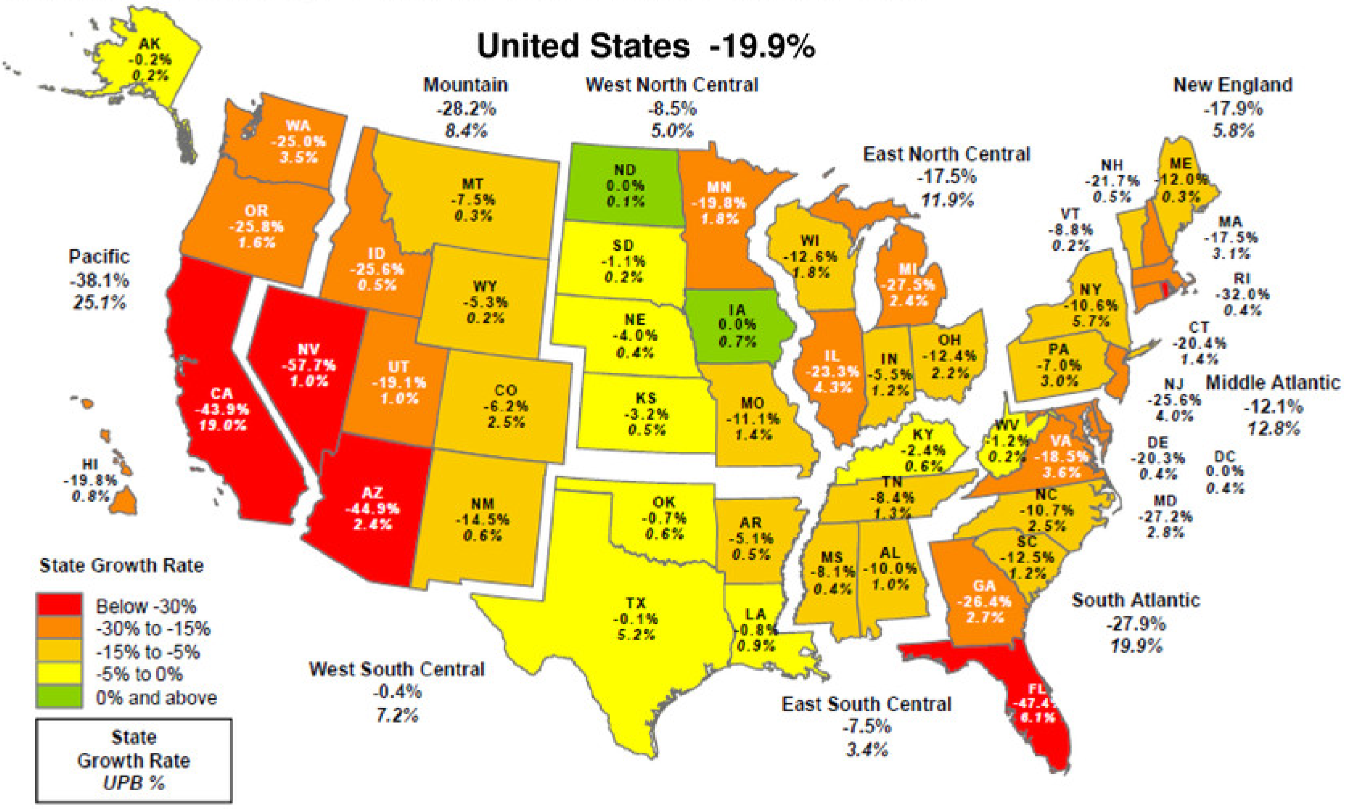
Growth rates are from period-end to period-end.

*Year-to-date as of Q3 2012. Estimate based on purchase transactions in Fannie-Freddie acquisition and public deed data available through the end of September 2012. Including subsequent data may lead to materially different results.

** Year-to-date as of Q2 2012.

After declining by an estimated 23.7% from their peak in the third quarter of 2006 to the first quarter of 2012, we estimate that home prices on a national basis increased by 3.5% in the second quarter of 2012 and by 1.5% in the third quarter of 2012. Although we believe home prices may decline again through early 2013, we expect that, if current market trends continue, home prices will not decline on a national basis below their first quarter 2012 levels. We also expect significant regional variation in home price changes and the timing of home price stabilization. Our estimates of home price changes are based on our home price index, which is calculated differently from the S&P/Case-Shiller U.S. National Home Price Index and therefore results in different percentages for comparable changes. Our estimated 23.7% peak-to-trough decline in home prices on a national basis corresponds to a 34.7% decline according to the S&P/Case-Shiller's National Home Price Index.

Home Price Change Peak-to-Current as of 2012 Q3*



Top %: State/Region Home Price Growth Rate percentage from applicable peak in that state/region through September 30, 2012.

Bottom %: Percent of Fannie Mae single-family conventional guaranty book of business by unpaid principal balance as of September 30, 2012.

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

*Source: Fannie Mae. Estimates based on purchase transactions in Fannie-Freddie acquisition and public deed data available through the end of September 2012. Including subsequent data may lead to materially different results.

FannieMae

Fannie Mae Acquisition Profile by Key Product Features

Credit Characteristics of Single-Family Business Volume (1)

Acquisition Year	Q3 2012	Q2 2012	Q1 2012	2011	2010	2009	2008	2007	2006	2005	2004
Unpaid Principal Balance (billions)	$231.1	$174.1	$200.1	$562.3	$595.0	$684.7	$557.2	$643.8	$515.8	$524.2	$568.8
Weighted Average Origination Note Rate	3.73%	3.93%	3.96%	4.35%	4.64%	4.93%	6.00%	6.51%	6.45%	5.73%	5.63%
Origination Loan-to-Value Ratio											
<= 60%	23.8%	24.2%	28.9%	29.1%	30.3%	32.6%	22.7%	16.7%	18.6%	21.4%	23.1%
>60% and <= 70%	13.8%	13.8%	15.6%	15.5%	15.9%	17.0%	16.1%	13.5%	15.1%	16.3%	16.2%
>70% and <= 80%	34.2%	34.1%	35.4%	37.3%	38.5%	39.9%	39.5%	44.7%	49.6%	46.2%	43.1%
>80% and <= 90%	8.9%	9.3%	9.1%	8.9%	8.6%	6.9%	11.7%	9.1%	6.8%	7.4%	8.2%
>90% and <= 100% (2)	8.8%	9.0%	7.4%	6.8%	5.2%	3.3%	10.0%	15.8%	9.7%	8.5%	9.3%
> 100% (2)	10.5%	9.6%	3.7%	2.3%	1.6%	0.4%	0.1%	0.1%	0.2%	0.2%	0.2%
Weighted Average Origination Loan-to-Value Ratio	76.6%	75.7%	70.0%	69.3%	68.4%	66.8%	72.0%	75.5%	73.4%	72.0%	71.4%
Weighted Average Origination Loan-to-Value Ratio Excluding HARP (3)	70.0%	69.4%	66.9%	67.0%	66.0%	65.8%	—	—	—	—	—
FICO Credit Scores (4)											
0 to < 620	0.9%	0.9%	0.5%	0.5%	0.4%	0.4%	2.8%	6.4%	6.2%	5.4%	5.6%
>= 620 and < 660	2.3%	2.4%	1.8%	1.8%	1.6%	1.5%	5.7%	11.5%	11.2%	10.7%	11.5%
>=660 and < 700	7.2%	7.5%	6.5%	7.0%	6.6%	6.5%	13.9%	19.2%	19.6%	18.9%	19.4%
>=700 and < 740	15.5%	16.1%	15.1%	16.2%	16.1%	17.2%	21.7%	22.6%	23.0%	23.2%	23.9%
>=740	74.1%	73.0%	76.0%	74.5%	75.1%	74.4%	55.8%	40.1%	39.7%	41.5%	39.2%
Missing	0.0%	0.0%	0.0%	0.1%	0.1%	0.1%	0.1%	0.1%	0.2%	0.3%	0.4%
Weighted Average FICO Credit Score (4)	761	760	763	762	762	761	738	716	716	719	715
Product Distribution											
Fixed-rate	97.1%	96.0%	95.7%	93.5%	93.7%	96.6%	91.7%	90.1%	83.4%	78.7%	78.8%
Adjustable-rate	2.9%	4.0%	4.3%	6.5%	6.3%	3.4%	8.3%	9.9%	16.6%	21.3%	21.2%
Alt-A (5)	0.9%	0.7%	0.6%	1.2%	0.9%	0.2%	3.1%	16.7%	21.8%	16.1%	11.9%
Subprime	—	—	—	—	—	—	0.3%	0.7%	0.7%	0.0%	—
Interest Only	0.3%	0.3%	0.4%	0.7%	1.3%	1.0%	5.6%	15.2%	15.2%	10.1%	5.0%
Negative Amortizing	—	—	—	—	—	—	0.0%	0.3%	3.1%	3.2%	1.9%
Investor	7.1%	7.3%	6.6%	6.5%	4.6%	2.5%	5.6%	6.5%	7.0%	6.4%	5.4%
Condo/Co-op	9.2%	9.4%	8.8%	8.8%	8.6%	8.2%	10.3%	10.4%	10.5%	9.8%	8.8%
Refinance	76.4%	77.6%	82.6%	76.5%	77.4%	79.9%	58.6%	50.4%	48.3%	53.1%	57.3%
Total Refi Plus (3)	24.6%	26.6%	22.5%	24.3%	23.4%	10.6%	—	—	—	—	—
HARP (3)	14.6%	15.4%	10.2%	8.5%	9.0%	3.8%	—	—	—	—	—
Origination Loan-to-Value Ratio:											
>80% and <=105%	49.6%	57.1%	80.6%	88.5%	94.5%	99.1%	—	—	—	—	—
>105% and <=125%	23.8%	23.2%	17.0%	11.5%	5.5%	0.9%	—	—	—	—	—
>125%	26.6%	19.8%	2.4%	—	—	—	—	—	—	—	—
HARP Weighted Average Origination Loan-to-Value Ratio	115.1%	110.7%	97.3%	94.1%	92.1%	90.7%	—	—	—	—	—

(1) Percentage calculated based on unpaid principal balance of loans at time of acquisition. Single-family business volume refers to both single-family mortgage loans we purchased for our mortgage portfolio and single-family mortgage loans we guarantee into Fannie Mae MBS. Beginning with the third quarter of 2011, we prospectively report loans underlying long-term standby commitments in the period in which the commitment was established, rather than at the time of actual delivery.
(2) The increase after 2009 is the result of our Refi Plus™ initiative, which involves the refinance of existing Fannie Mae loans that can have loan-to-value ratios in excess of 100%.
(3) Refi Plus and Home Affordable Refinance Program (HARP) started in April 2009.
(4) FICO credit scores as reported by the seller of the mortgage loan at the time of delivery.
(5) Newly originated Alt-A loans acquired after 2008 consist of the refinance of existing loans under our Refi Plus initiative.

FannieMae

Fannie Mae Credit Profile by Key Product Features

Credit Characteristics of Single-Family Conventional Guaranty Book of Business

As of September 30, 2012	Categories Not Mutually Exclusive [1]								Sub-total of Key Product Features[1]	Overall Book
	Negative Amortizing Loans	Interest Only Loans	Loans with FICO < 620[3]	Loans with FICO ≥ 620 and < 660[3]	Loans with Origination LTV Ratio > 90%	Loans with FICO < 620 and Origination LTV Ratio > 90%[3]	Alt-A Loans	Subprime Loans		
Unpaid Principal Balance (billions) [2]	$7.9	$110.9	$81.4	$171.2	$331.1	$19.0	$162.2	$5.2	$720.1	$2,767.3
Share of Single-Family Conventional Guaranty Book	0.3%	4.0%	2.9%	6.2%	12.0%	0.7%	5.9%	0.2%	26.0%	100.0%
Average Unpaid Principal Balance [2]	$106,589	$238,578	$119,511	$131,660	$163,925	$121,866	$155,931	$145,294	$152,891	$157,291
Serious Delinquency Rate	6.72%	14.36%	12.24%	9.35%	5.92%	15.33%	11.61%	20.85%	8.20%	3.41%
Origination Years 2005-2008	54.7%	80.9%	56.5%	51.5%	29.5%	55.5%	68.6%	85.4%	46.4%	23.8%
Weighted Average Origination Loan-to-Value Ratio	70.5%	74.5%	77.7%	77.6%	101.6%	100.9%	74.1%	77.0%	85.2%	72.5%
Origination Loan-to-Value Ratio > 90%	0.3%	8.5%	23.3%	20.9%	100.0%	100.0%	8.1%	6.6%	46.0%	12.0%
Weighted Average Mark-to-Market Loan-to-Value Ratio	92.7%	111.7%	88.5%	87.9%	106.7%	112.4%	96.8%	107.4%	96.7%	75.6%
Mark-to-Market Loan-to-Value Ratio > 100% and <= 125%	14.1%	25.3%	17.3%	16.1%	29.3%	31.6%	19.3%	23.5%	22.0%	8.5%
Mark-to-Market Loan-to-Value Ratio > 125%	29.7%	31.8%	13.2%	13.3%	16.8%	25.4%	20.8%	26.1%	15.8%	5.7%
Weighted Average FICO [3]	707	725	587	642	722	589	716	619	697	741
FICO < 620 [3]	6.8%	1.5%	100.0%	—	5.7%	100.0%	1.1%	50.5%	11.3%	2.9%
Fixed-rate	1.8%	29.0%	79.9%	82.4%	90.9%	79.7%	65.7%	64.0%	78.3%	89.8%
Primary Residence	68.6%	85.2%	96.3%	93.8%	93.7%	98.0%	77.5%	96.9%	89.8%	89.0%
Condo/Co-op	13.1%	15.9%	4.8%	6.4%	10.2%	5.7%	10.3%	4.1%	9.5%	9.4%
Credit Enhanced [4]	54.5%	16.2%	27.5%	25.3%	62.7%	77.0%	15.5%	59.2%	34.9%	13.9%
% of 2007 Credit Losses [5]	0.9%	15.0%	18.8%	21.9%	17.4%	6.4%	27.8%	1.0%	72.3%	100.0%
% of 2008 Credit Losses [5]	2.9%	34.2%	11.8%	17.4%	21.3%	5.4%	45.6%	2.0%	81.3%	100.0%
% of 2009 Credit Losses [5]	2.0%	32.6%	8.8%	15.5%	19.2%	3.4%	39.6%	1.5%	75.0%	100.0%
% of 2010 Credit Losses [5]	1.9%	28.6%	8.0%	15.1%	15.9%	2.7%	33.2%	1.1%	68.4%	100.0%
% of 2011 Credit Losses [5]	1.2%	25.8%	7.9%	14.7%	14.0%	2.2%	27.3%	0.6%	63.4%	100.0%
% of Q1 2012 Credit Losses [5]	1.2%	23.3%	7.7%	14.2%	18.7%	2.5%	24.7%	1.2%	63.2%	100.0%
% of Q2 2012 Credit Losses [5]	1.1%	23.1%	7.9%	14.4%	18.4%	2.5%	24.3%	1.1%	63.1%	100.0%
% of Q3 2012 Credit Losses [5]	0.5%	21.6%	7.1%	13.9%	16.3%	1.9%	25.8%	0.9%	61.4%	100.0%

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

(2) Excludes non-Fannie Mae securities held in portfolio and those Alt-A and subprime wraps for which Fannie Mae does not have loan-level information. Fannie Mae had access to detailed loan-level information for approximately 99% of its single-family conventional guaranty book of business as of September 30, 2012.

(3) FICO credit scores as reported by the seller of the mortgage loan at the time of delivery.

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

(5) Expressed as a percentage of credit losses for the single-family guaranty book of business. For information on total credit losses, refer to Fannie Mae's 2012 Q3 Form 10-Q.

Fannie Mae Credit Profile by Origination Year and Key Product Features

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

		Origination Year									
As of September 30, 2012	Overall Book	2012	2011	2010	2009	2008	2007	2006	2005	2004 and Earlier
Unpaid Principal Balance (billions) (1)	$2,767.3	$515.5	$442.8	$415.7	$340.7	$141.0	$214.5	$150.7	$152.6	$393.9
Share of Single-Family Conventional Guaranty Book	100.0%	18.6%	16.0%	15.0%	12.3%	5.1%	7.7%	5.4%	5.5%	14.2%
Average Unpaid Principal Balance(1)	$157,291	$210,788	$191,260	$189,822	$182,187	$164,910	$169,419	$154,217	$139,010	$86,059
Serious Delinquency Rate	3.41%	0.02%	0.16%	0.41%	0.78%	6.26%	12.66%	11.87%	7.54%	3.48%
Weighted Average Origination Loan-to-Value Ratio	72.5%	75.0%	70.6%	70.2%	69.1%	75.1%	78.5%	75.4%	73.3%	71.0%
Origination Loan-to-Value Ratio > 90% (2)	12.0%	17.5%	11.2%	8.8%	5.6%	13.1%	21.2%	12.7%	9.5%	9.6%
Weighted Average Mark-to-Market Loan-to-Value Ratio	75.6%	73.4%	67.6%	68.9%	70.5%	88.8%	107.9%	106.5%	91.0%	58.7%
Mark-to-Market Loan-to-Value Ratio > 100% and <= 125%	8.5%	5.1%	2.6%	3.5%	4.5%	21.7%	26.6%	22.9%	17.9%	4.8%
Mark-to-Market Loan-to-Value Ratio > 125%	5.7%	3.3%	0.1%	0.2%	0.3%	8.6%	25.8%	26.3%	14.9%	2.3%
Weighted Average FICO(3)	741	761	760	760	757	725	700	704	712	714
FICO < 620 (3)	2.9%	0.9%	0.5%	0.5%	0.6%	4.1%	9.3%	7.6%	5.7%	6.2%
Interest Only	4.0%	0.3%	0.6%	1.0%	1.0%	6.6%	16.5%	18.3%	11.5%	2.3%
Negative Amortizing	0.3%	—	—	—	—	—	0.1%	1.3%	1.5%	0.9%
Fixed-rate	89.8%	96.7%	93.9%	95.0%	97.2%	83.8%	75.1%	73.4%	75.9%	86.0%
Primary Residence	89.0%	88.9%	88.0%	90.0%	91.4%	86.6%	88.3%	86.4%	86.5%	90.2%
Condo/Co-op	9.4%	9.0%	9.0%	8.7%	9.0%	12.1%	11.0%	11.6%	10.9%	7.9%
Credit Enhanced (4)	13.9%	13.8%	10.5%	7.6%	7.4%	27.9%	31.9%	21.1%	16.1%	11.9%
% of 2007 Credit Losses (5)	100.0%	—	—	—	—	—	1.9%	21.3%	23.6%	53.2%
% of 2008 Credit Losses (5)	100.0%	—	—	—	—	0.5%	27.9%	34.9%	19.3%	17.3%
% of 2009 Credit Losses (5)	100.0%	—	—	—	—	4.8%	36.0%	30.9%	16.4%	11.9%
% of 2010 Credit Losses (5)	100.0%	—	—	—	0.4%	7.0%	35.8%	29.2%	15.9%	11.7%
% of 2011 Credit Losses (5)	100.0%	—	—	0.7%	1.6%	5.7%	30.3%	27.7%	19.2%	14.8%
% of Q1 2012 Credit Losses (5)	100.0%	—	0.2%	1.1%	1.9%	7.5%	34.6%	26.0%	15.0%	13.6%
% of Q2 2012 Credit Losses (5)	100.0%	—	0.4%	1.6%	2.2%	8.0%	33.0%	26.8%	17.4%	10.6%
% of Q3 2012 Credit Losses (5)	100.0%	—	0.9%	2.2%	2.7%	7.1%	28.0%	28.1%	17.3%	13.6%
Cumulative Default Rate (6)	—	0.0%	0.0%	0.2%	0.3%	3.3%	10.9%	10.1%	6.1%	—

(1) Excludes non-Fannie Mae securities held in portfolio and those Alt-A and subprime wraps for which Fannie Mae does not have loan-level information. Fannie Mae had access to detailed loan-level information for approximately 99% of its single-family conventional guaranty book of business as of September 30, 2012.

(2) The increase after 2009 is the result of our Refi Plus loans, which we began acquiring in April 2009, and involve the refinance of existing Fannie Mae loans that can have loan-to-value ratios in excess of 100%.

(3) FICO credit scores as reported by the seller of the mortgage loan at the time of delivery.

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

(5) Expressed as a percentage of credit losses for the single-family guaranty book of business. For information on total credit losses, refer to Fannie Mae's 2012 Q3 Form 10-Q.

(6) Defaults include loan liquidations other than through voluntary pay-off or repurchase by lenders and include loan foreclosures, short sales, sales to third parties and deeds in lieu of foreclosure. Cumulative Default Rate is the total number of single-family conventional loans in the guaranty book of business originated in the identified year that have defaulted, divided by the total number of single-family conventional loans in the guaranty book of business originated in the identified year. For 2002 to 2004 cumulative default rates, refer to slide 14.

FannieMae

Fannie Mae Credit Profile by State

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

As of September 30, 2012	Overall Book	AZ	CA	FL	NV	Select Midwest States [5]
Unpaid Principal Balance (billions) [1]	$2,767.3	$65.4	$525.5	$167.9	$27.6	$280.1
Share of Single-Family Conventional Guaranty Book	100.0%	2.4%	19.0%	6.1%	1.0%	10.1%
Average Unpaid Principal Balance [1]	$157,291	$148,008	$222,566	$138,496	$156,843	$122,793
Serious Delinquency Rate	3.41%	2.35%	1.89%	10.49%	6.97%	3.66%
Origination Years 2005-2008	23.8%	33.2%	19.4%	44.6%	41.2%	22.6%
Weighted Average Origination Loan-to-Value Ratio	72.5%	79.1%	66.7%	76.3%	80.6%	76.4%
Origination Loan-to-Value Ratio > 90%	12.0%	18.8%	7.2%	15.1%	17.0%	16.4%
Weighted Average Mark-to-Market Loan-to-Value Ratio	75.6%	91.7%	75.2%	98.2%	123.1%	81.0%
Mark-to-Market Loan-to-Value Ratio >100% and <=125%	8.5%	16.9%	8.5%	16.1%	14.3%	12.5%
Mark-to-Market Loan-to-Value Ratio >125%	5.7%	17.4%	8.7%	24.9%	42.7%	6.3%
Weighted Average FICO [2]	741	742	751	727	736	736
FICO < 620 [2]	2.9%	2.5%	1.6%	4.6%	2.5%	3.8%
Interest Only	4.0%	7.8%	5.8%	7.8%	11.7%	2.5%
Negative Amortizing	0.3%	0.3%	0.8%	0.7%	0.9%	0.1%
Fixed-rate	89.8%	85.1%	87.4%	83.8%	78.6%	89.5%
Primary Residence	89.0%	80.2%	86.5%	82.1%	77.5%	93.0%
Condo/Co-op	9.4%	4.4%	12.1%	13.7%	5.7%	11.1%
Credit Enhanced [3]	13.9%	13.4%	6.4%	14.6%	13.5%	17.7%
% of 2007 Credit Losses [4]	100.0%	1.8%	7.2%	4.7%	1.2%	46.6%
% of 2008 Credit Losses [4]	100.0%	8.0%	25.2%	10.9%	4.9%	21.1%
% of 2009 Credit Losses [4]	100.0%	10.8%	24.4%	15.5%	6.5%	14.8%
% of 2010 Credit Losses [4]	100.0%	10.0%	22.6%	17.5%	6.1%	13.6%
% of 2011 Credit Losses [4]	100.0%	11.7%	27.0%	11.0%	7.9%	12.0%
% of Q1 2012 Credit Losses [4]	100.0%	7.6%	19.6%	19.6%	5.1%	17.7%
% of Q2 2012 Credit Losses [4]	100.0%	7.1%	20.4%	21.4%	4.6%	17.5%
% of Q3 2012 Credit Losses [4]	100.0%	5.5%	17.7%	21.2%	4.8%	18.5%

(1) Excludes non-Fannie Mae securities held in portfolio and those Alt-A and subprime wraps for which Fannie Mae does not have loan-level information. Fannie Mae had access to detailed loan-level information for approximately 99% of its single-family conventional guaranty book of business as of September 30, 2012.
(2) FICO credit scores as reported by the seller of the mortgage loan at the time of delivery.
(3) Unpaid principal balance of all loans with credit enhancement as a percentage of unpaid principal balance of single-family conventional guaranty book of business for which Fannie Mae has access to loan-level information. Includes primary mortgage insurance, pool insurance, lender recourse and other credit enhancement.
(4) Expressed as a percentage of credit losses for the single-family guaranty book of business. For information on total credit losses, refer to Fannie Mae's 2012 Q3 Form 10-Q.
(5) Select Midwest states are Illinois, Indiana, Michigan, and Ohio.

FannieMae

Fannie Mae Alt-A Credit Profile by Key Product Features

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

As of September 30, 2012	Alt-A (1)	2012 (2)	2011 (2)	2010 (2)	2009 (2)	2008	2007	2006	2005	2004 and Earlier
Unpaid principal balance (billions) (3)	$162.2	$4.0	$6.7	$3.8	$1.3	$3.8	$38.3	$40.8	$28.4	$35.1
Share of Alt-A	100.0%	2.4%	4.1%	2.4%	0.8%	2.3%	23.6%	25.1%	17.5%	21.6%
Weighted Average Origination Loan-to-Value Ratio	74.1%	93.8%	74.3%	79.3%	75.5%	68.6%	75.1%	74.3%	73.0%	71.4%
Origination Loan-to-Value Ratio > 90% (4)	8.1%	48.1%	25.1%	28.8%	21.1%	2.6%	8.5%	4.9%	3.4%	5.1%
Weighted Average Mark-to-Market Loan-to-Value Ratio	96.8%	92.1%	72.3%	80.4%	79.7%	85.7%	112.5%	113.1%	100.1%	66.9%
Mark-to-Market Loan-to-Value Ratio > 100% and <=125%	19.3%	19.9%	10.7%	14.9%	15.8%	18.6%	25.8%	24.0%	20.7%	7.7%
Mark-to-Market Loan-to-Value Ratio > 125%	20.8%	14.7%	0.5%	0.7%	1.3%	8.7%	30.8%	32.1%	22.0%	4.6%
Weighted Average FICO (5)	716	723	742	733	734	722	708	710	721	717
FICO < 620 (5)	1.1%	7.3%	2.8%	3.3%	3.8%	0.3%	0.6%	0.6%	0.4%	1.6%
Adjustable-rate	34.3%	1.1%	2.5%	4.3%	3.7%	24.0%	36.0%	40.5%	45.9%	31.1%
Interest Only	27.0%	—	—	—	0.1%	7.4%	37.2%	37.8%	30.5%	14.7%
Negative Amortizing	2.6%	—	—	—	—	—	—	3.8%	6.0%	2.5%
Investor	18.0%	27.0%	24.2%	12.2%	5.5%	18.6%	18.8%	16.4%	19.8%	16.5%
Condo/Co-op	10.3%	10.3%	7.2%	9.4%	8.9%	6.7%	9.0%	11.0%	12.8%	9.8%
California	20.9%	24.9%	26.1%	19.5%	15.3%	20.1%	20.9%	18.4%	19.8%	24.0%
Florida	11.7%	9.7%	4.0%	3.4%	3.4%	9.8%	13.1%	14.0%	13.6%	9.3%
Credit Enhanced (6)	15.5%	7.4%	2.2%	2.3%	1.5%	14.2%	17.7%	15.1%	14.7%	19.8%
Serious Delinquency Rate at 12/31/11	12.43%	—	0.21%	2.11%	4.25%	10.70%	18.46%	17.55%	12.19%	6.65%
Serious Delinquency Rate at 09/30/12	11.61%	0.13%	0.86%	3.09%	4.83%	10.44%	17.55%	16.62%	11.74%	6.74%
% of 2007 Credit Losses (7)	27.8%	—	—	—	—	—	0.7%	9.8%	9.7%	7.7%
% of 2008 Credit Losses (7)	45.6%	—	—	—	—	0.0%	12.4%	20.1%	9.7%	3.4%
% of 2009 Credit Losses (7)	39.6%	—	—	—	—	0.4%	13.4%	15.8%	7.3%	2.6%
% of 2010 Credit Losses (7)	33.2%	—	—	0.0%	0.0%	0.5%	11.8%	12.8%	5.7%	2.3%
% of 2011 Credit Losses (7)	27.3%	—	—	0.1%	0.1%	0.3%	8.5%	10.1%	5.9%	2.5%
% of Q1 2012 Credit Losses (7)	24.7%	—	0.0%	0.1%	0.1%	0.3%	8.5%	9.6%	4.2%	2.0%
% of Q2 2012 Credit Losses (7)	24.3%	—	—	0.1%	0.1%	0.4%	8.0%	9.2%	4.9%	1.6%
% of Q3 2012 Credit Losses (7)	25.8%	—	0.1%	0.1%	0.1%	0.4%	8.3%	9.8%	4.9%	2.1%
Cumulative Default Rate (8)	—	—	0.2%	1.3%	2.7%	8.7%	19.6%	18.3%	11.7%	—

(1) In reporting our Alt-A exposure, we have classified mortgage loans as Alt-A if and only if the lenders that deliver the mortgage loans to us have classified the loans as Alt-A based on documentation or other product features. We have loans with some features that are similar to Alt-A mortgage loans that we have not classified as Alt-A because they do not meet our classification criteria.

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

(3) Excludes non-Fannie Mae securities held in portfolio and those Alt-A and subprime wraps for which Fannie Mae does not have loan-level information. Fannie Mae had access to detailed loan-level information for approximately 99% of its single-family conventional guaranty book of business as of September 30, 2012.

(4) The increase after 2008 is the result of our Refi Plus loans, which we began acquiring in April 2009 and involve the refinance of existing Fannie Mae loans that can have loan-to-value ratios in excess of 100%.

(5) FICO credit scores as reported by the seller of the mortgage loan at the time of delivery.

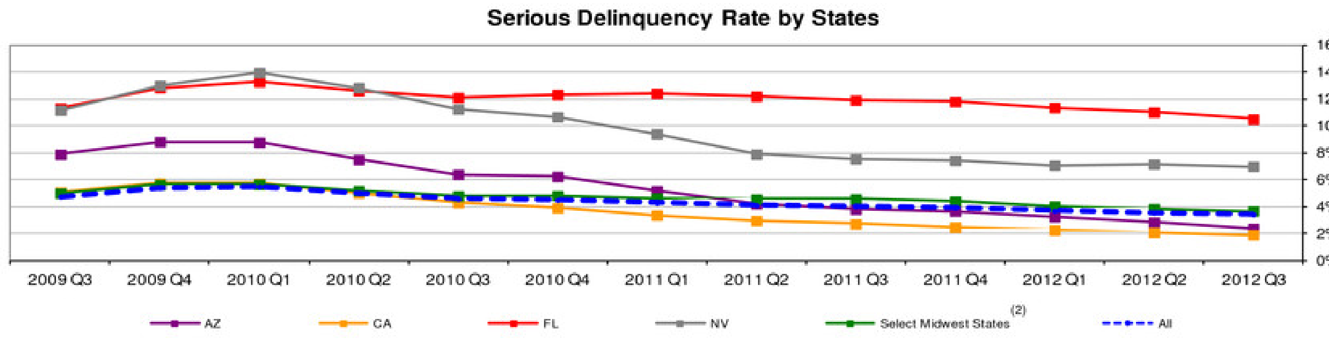
(6) Defined as unpaid principal balance of Alt-A loans with credit enhancement as a percentage of unpaid principal balance of all Alt-A loans. At September 30, 2012, 9.7% of unpaid principal balance of Alt-A loans carried only primary mortgage insurance (no deductible), 4.5% had only pool insurance (which is generally subject to a deductible), 1.0% had primary mortgage insurance and pool insurance, and 0.4% carried other credit enhancement such as lender recourse.

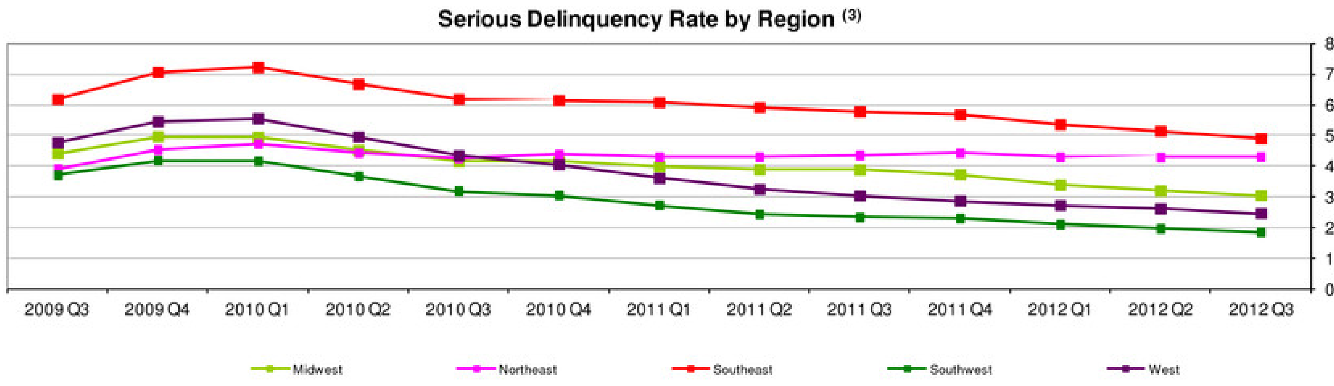
(7) Expressed as a percentage of credit losses for the single-family guaranty book of business. For information on total credit losses, refer to Fannie Mae's 2012 Q3 Form 10-Q.

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

FannieMae

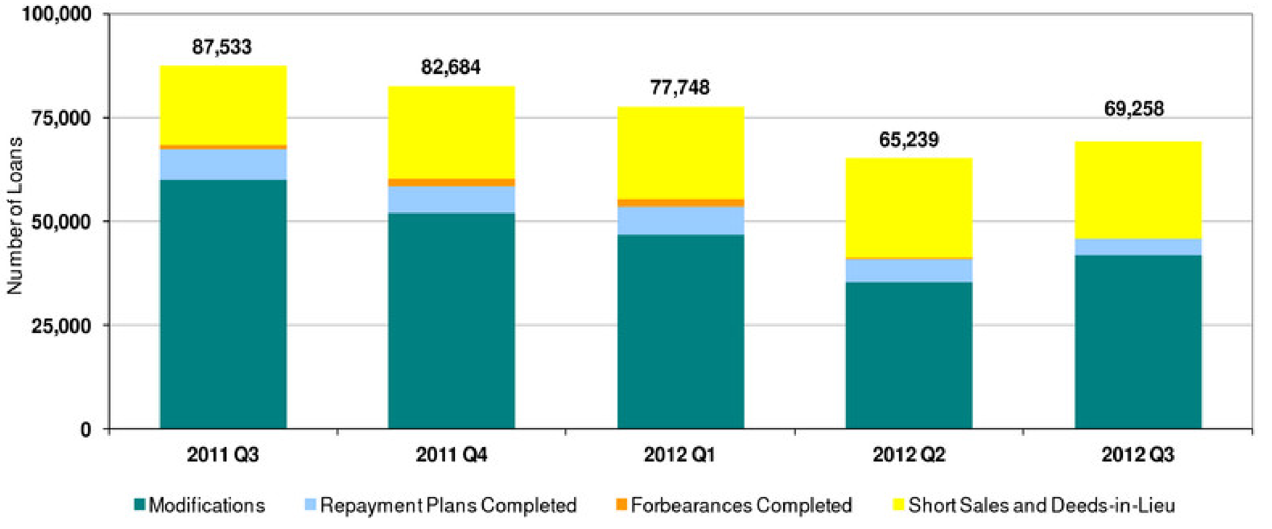
Fannie Mae Single-Family Serious Delinquency Rates by States and Region (1)





(1) Calculated based on the number of loans in Fannie Mae's single-family conventional guaranty book of business within each specified category.
(2) Select Midwest states are Illinois, Indiana, Michigan, and Ohio.
(3) For information on which states are included in each region, refer to footnote 9 to Table 33 in Fannie Mae's 2012 Q3 Form 10-Q.

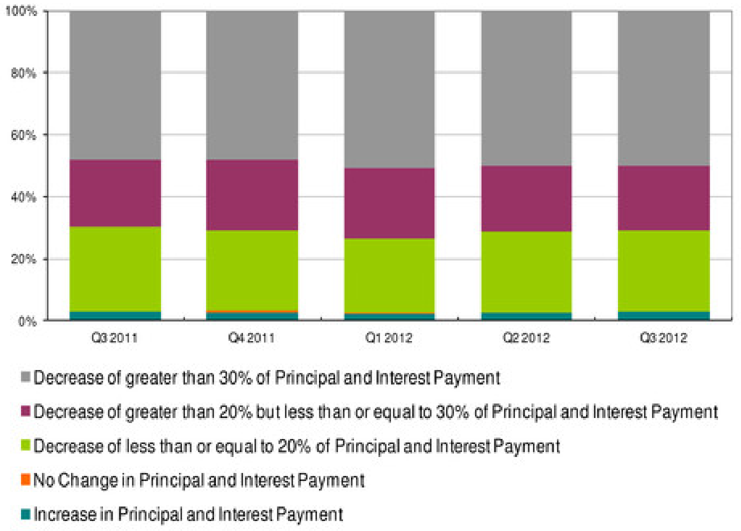
Fannie Mae Single-Family Completed Workouts by Type



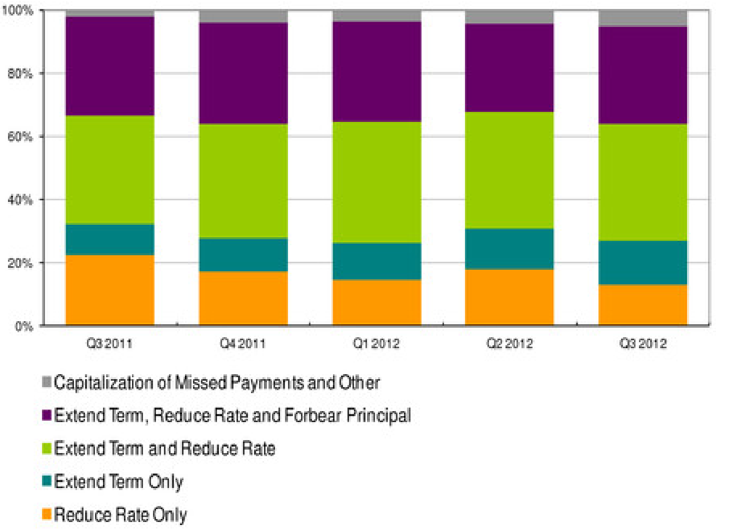
- Modifications involve changes to the original mortgage loan terms, which may include a change to the product type, interest rate, amortization term, maturity date and/or unpaid principal balance. Modifications include both completed modifications under the Administration's Home Affordable Modification Program (HAMP) and completed non-HAMP modifications, and do not reflect loans currently in trial modifications.
- Repayment plans involve plans to repay past due principal and interest over a reasonable period of time through temporarily higher monthly payments. Loans with completed repayment plans are included for loans that were at least 60 days delinquent at initiation.
- Forbearances involve an agreement to suspend or reduce borrower payments for a period of time. Loans with forbearance plans are included for loans that were at least 90 days delinquent at initiation.
- Deeds-in-lieu of foreclosure involve the borrower's voluntarily signing over title to the property.
- In a short sale, the borrower, working with the servicer, sells the home prior to foreclosure to pay off all or part of the outstanding loan, accrued interest and other expenses from the sale proceeds.

Fannie Mae Single-Family Loan Modifications by Monthly Payment Change and Type

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



Modification Type of Single-Family Loans(1)(2)



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

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

FannieMae

Performance of Fannie Mae Modified Loans

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

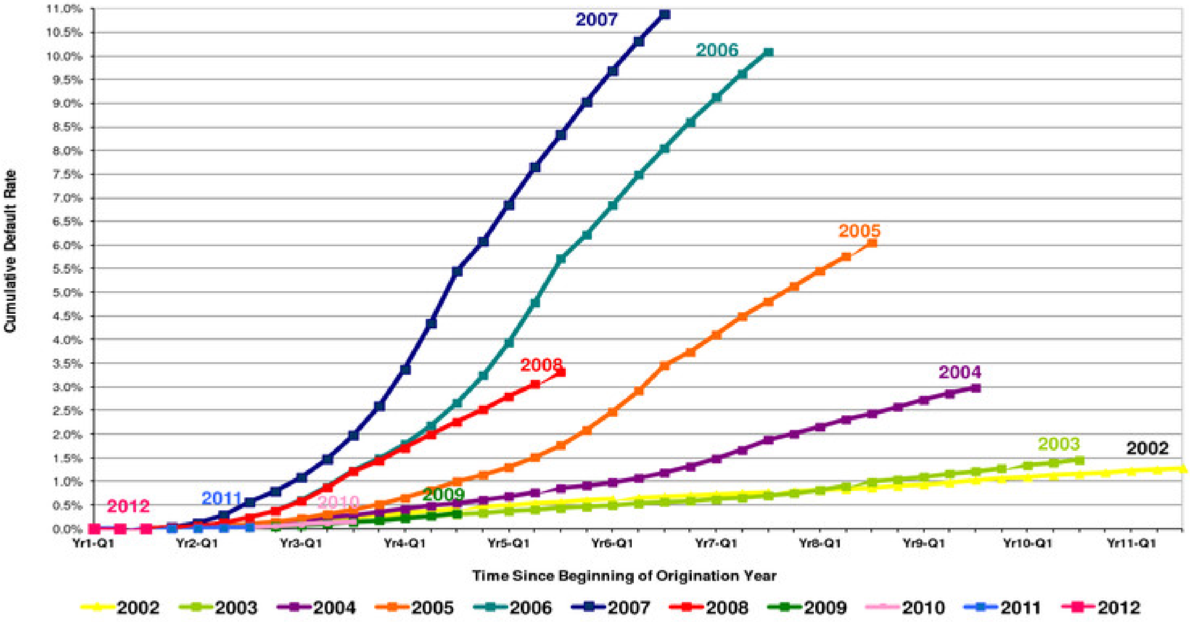
% Current or Paid Off	2010 Q1	2010 Q2	2010 Q3	2010 Q4	2011 Q1	2011 Q2	2011 Q3	2011 Q4	2012 Q1	2012 Q2
3 months post modification	80%	79%	78%	81%	84%	84%	83%	84%	85%	84%
6 months post modification	71%	73%	75%	77%	78%	79%	79%	79%	78%	n/a
9 months post modification	65%	71%	73%	72%	75%	77%	76%	74%	n/a	n/a
12 months post modification	65%	70%	70%	69%	74%	75%	72%	n/a	n/a	n/a
15 months post modification	63%	66%	67%	68%	73%	72%	n/a	n/a	n/a	n/a
18 months post modification	60%	65%	67%	68%	71%	n/a	n/a	n/a	n/a	n/a
21 months post modification	59%	65%	67%	66%	n/a	n/a	n/a	n/a	n/a	n/a
24 months post modification	60%	65%	65%	n/a	n/a	n/a	n/a	n/a	n/a	n/a

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

FannieMae

Fannie Mae Single-Family Cumulative Default Rates

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



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

Data as of September 30, 2012 are not necessarily indicative of the ultimate performance of the loans and performance is likely to change, perhaps materially, in future periods.

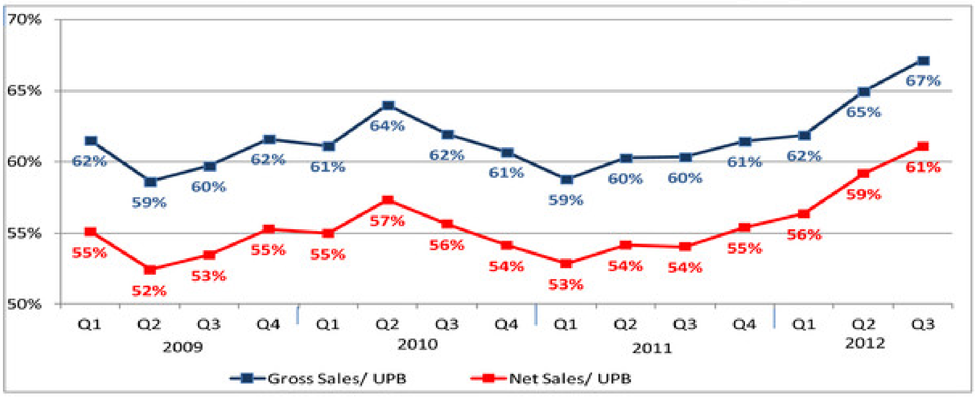
Fannie Mae Single-Family Real Estate Owned (REO) in Selected States

State	Average Days From Last Paid Installment to Foreclosure For Q3 2012 [2] [3] [4]	REO Acquisitions and Dispositions (Number of Properties)								REO Inventory as of September 30, 2012	REO Inventory as of September 30, 2011
		Q3 2012	Q2 2012	Q1 2012	2011	2010	2009	2008	2007		
Beginning Balance	N/A	109,266	114,157	118,528	162,489	86,155	63,538	33,729	25,125	N/A	N/A
Arizona	403	2,090	2,109	2,246	16,172	20,691	12,854	5,532	751	3,865	5,703
California	521	3,684	3,697	3,829	27,589	34,051	19,565	10,624	1,681	9,448	16,759
Florida	1,080	5,980	5,584	5,610	13,748	29,628	13,282	6,159	1,714	12,633	8,083
Nevada	657	533	654	1,003	8,406	9,418	6,075	2,906	530	1,335	3,872
Select Midwest States [1]	675	9,497	9,664	11,657	33,777	45,411	28,464	23,668	16,678	29,668	28,333
All other States	580	20,100	22,075	23,355	100,004	122,879	65,377	45,763	27,767	50,276	59,866
Total Acquisitions	N/A	41,884	43,783	47,700	199,696	262,078	145,617	94,652	49,121	N/A	N/A
Total Dispositions	N/A	(43,925)	(48,674)	(52,071)	(243,657)	(185,744)	(123,000)	(64,843)	(40,517)	N/A	N/A
Ending Inventory	N/A	107,225	109,266	114,157	118,528	162,489	86,155	63,538	33,729	N/A	N/A

(1) Select Midwest States are Illinois, Indiana, Michigan, and Ohio.
(2) Measured from the last monthly period for which the borrowers fully paid their mortgages to when the related properties were added to our REO inventory for foreclosures completed during Q3 2012.
(3) Fannie Mae incurs additional costs associated with property taxes, hazard insurance, and legal fees while a delinquent loan remains in the foreclosure process. Additionally, the longer a loan remains in the foreclosure process, the longer it remains in our guaranty book of business as a seriously delinquent loan. The average number of days from last paid installment to foreclosure for all states combined were 327, 325, 407, 479, and 529 in each of the years 2007 through 2011, respectively, and 646 year-to-date 2012.
(4) Home Equity Conversion Mortgage (HECMs) excluded from calculation.

FannieMae

Real Estate Owned (REO) Sales Price / UPB of Mortgage Loans[1]



REO Net Sales Prices to UPB - Top 10 States *(Based on Volume of REO Properties Sold YTD 2012)*

	2009				2010				2011				2012		
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3
CA	51.7%	47.8%	49.3%	52.9%	53.7%	56.2%	55.9%	53.3%	53.1%	53.5%	53.1%	54.7%	55.4%	58.8%	63.2%
FL	45.6%	41.6%	41.3%	42.6%	41.8%	43.2%	42.0%	41.7%	41.3%	43.8%	44.7%	46.3%	47.6%	51.0%	53.3%
MI	41.6%	41.9%	42.0%	44.8%	41.2%	44.5%	43.3%	44.5%	41.6%	42.6%	44.0%	45.1%	46.3%	49.2%	51.8%
GA	53.3%	52.6%	54.4%	57.3%	56.0%	58.8%	56.7%	54.9%	54.3%	54.9%	53.7%	54.0%	54.2%	57.3%	60.0%
IL	52.2%	47.9%	44.0%	42.9%	43.9%	45.8%	41.4%	39.3%	39.2%	43.3%	42.2%	42.0%	41.1%	44.3%	45.9%
AZ	51.5%	47.8%	50.1%	52.1%	50.6%	52.1%	51.0%	46.2%	45.0%	47.0%	48.6%	51.7%	54.5%	60.9%	65.3%
OH	46.2%	50.4%	51.8%	50.8%	49.0%	52.9%	47.5%	49.6%	45.2%	49.3%	47.2%	47.1%	46.3%	49.9%	53.7%
TX	71.6%	70.3%	72.7%	73.8%	75.5%	77.9%	74.7%	71.4%	73.8%	74.2%	74.4%	73.5%	76.2%	78.9%	78.2%
NC	68.0%	67.0%	71.9%	72.9%	69.8%	71.5%	66.1%	65.9%	66.1%	67.5%	64.6%	65.6%	66.1%	68.2%	68.6%
IN	48.5%	49.5%	51.7%	53.1%	48.0%	53.5%	50.0%	51.6%	52.0%	56.2%	54.8%	53.5%	53.1%	56.5%	57.6%
Top 10	**51.2%**	**48.5%**	**49.5%**	**51.6%**	**50.9%**	**53.5%**	**52.0%**	**50.9%**	**49.4%**	**51.1%**	**51.4%**	**52.8%**	**53.3%**	**56.4%**	**59.0%**
All Others	**62.0%**	**60.3%**	**61.1%**	**62.4%**	**62.1%**	**64.0%**	**61.8%**	**59.5%**	**58.9%**	**59.6%**	**58.5%**	**59.2%**	**60.5%**	**63.4%**	**64.6%**
Total	**55.1%**	**52.4%**	**53.4%**	**55.3%**	**55.0%**	**57.3%**	**55.6%**	**54.1%**	**52.8%**	**54.1%**	**54.0%**	**55.4%**	**56.3%**	**59.2%**	**61.1%**

(1) Calculated as the sum of sale proceeds received on disposed REOs, excluding those subject to lender repurchase requests made to our seller/servicers, mortgage insurance acquisitions, and redemptions, 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 selling costs for the property and adjusted for other charges/credits paid by or due to the seller at closing.

Note: Properties disposed of in the third quarter of 2012 through structured rental transactions have been excluded from the Net/Gross Proceeds to UPB calculations.

FannieMae

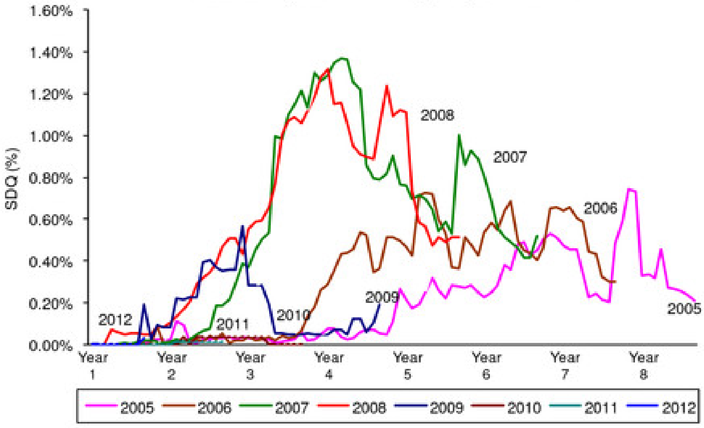
Fannie Mae Multifamily Credit Profile by Loan Attributes

As of September 30, 2012	Loan Counts	Unpaid Principal Balance (Billions)	% of Multifamily Guaranty Book of Business (UPB)	% Seriously Delinquent [2]	% of 2012 YTD Multifamily Credit Losses[3]	% of 2011 Multifamily Credit Losses	% of 2010 Multifamily Credit Losses
Total Multifamily Guaranty Book of Business [1]	39,289	$200.1	100%	0.28%	100%	100%	100%
Credit Enhanced Loans:							
Credit Enhanced	35,268	$179.9	90%	0.24%	79%	83%	68%
Non-Credit Enhanced	4,021	$20.2	10%	0.61%	21%	17%	32%
Origination loan-to-value ratio:[4]							
Less than or equal to 70%	25,285	$111.7	56%	0.11%	22%	18%	8%
Greater than 70% and less than or equal to 80%	11,174	$80.7	40%	0.44%	62%	70%	89%
Greater than 80%	2,830	$7.7	4%	1.14%	16%	12%	3%
Delegated Underwriting and Servicing (DUS ®) Loans: [5]							
DUS ® - Small Balance Loans[6]	8,455	$16.2	8%	0.43%	9%	9%	7%
DUS ® - Non Small Balance Loans	11,757	$149.3	75%	0.18%	78%	72%	61%
DUS ® - Total	**20,212**	**$165.6**	**83%**	**0.21%**	**87%**	**81%**	**68%**
Non-DUS - Small Balance Loans [6]	17,938	$14.8	7%	0.93%	16%	12%	10%
Non-DUS - Non Small Balance Loans	1,139	$19.7	10%	0.42%	-2%	7%	22%
Non-DUS - Total	**19,077**	**$34.5**	**17%**	**0.64%**	**13%**	**19%**	**32%**
Maturity Dates:							
Loans maturing in 2012	312	$3.3	2%	2.14%	5%	7%	15%
Loans maturing in 2013	2,628	$14.9	7%	0.38%	0%	7%	10%
Loans maturing in 2014	2,401	$13.2	7%	0.37%	12%	5%	11%
Loans maturing in 2015	3,060	$15.6	8%	0.24%	8%	6%	4%
Loans maturing in 2016	3,011	$15.9	8%	0.32%	11%	8%	14%
Other maturities	27,877	$137.2	69%	0.22%	64%	68%	46%
Loan Size Distribution:							
Less than or equal to $750K	10,968	$3.4	2%	0.90%	5%	5%	2%
Greater than $750K and less than or equal to $3M	14,014	$20.8	10%	0.76%	19%	16%	16%
Greater than $3M and less than or equal to $5M	4,787	$17.4	9%	0.34%	10%	11%	17%
Greater than $5M and less than or equal to $25M	8,329	$84.5	42%	0.28%	54%	50%	48%
Greater than $25M	1,191	$74.0	37%	0.11%	12%	18%	17%

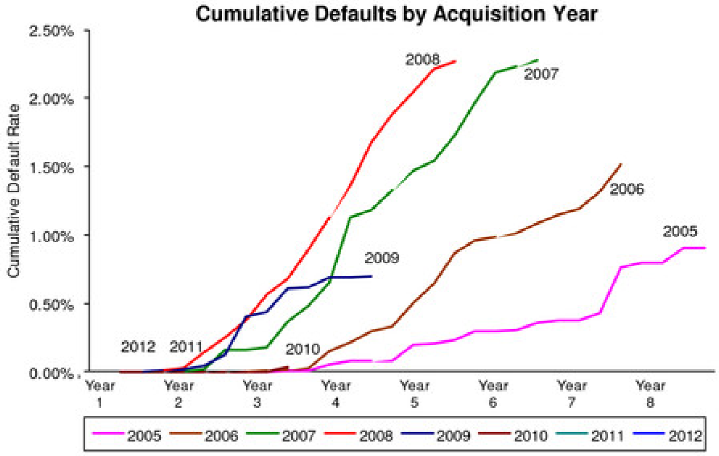
(1) Excludes loans that have been defeased. Defeasance is prepayment of a loan through substitution of collateral.
(2) We classify multifamily loans as seriously delinquent when payment is 60 days or more past due.
(3) Negative values are the result of recoveries on previously charged-off amounts.
(4) Weighted Average Origination loan-to-value ratio is 66% as of September 30, 2012.
(5) Under the Delegated Underwriting and Servicing, or DUS ®, product line, Fannie Mae purchases individual, newly originated mortgages from specially approved DUS lenders using DUS underwriting standards and/or DUS loan documents. Because DUS lenders generally share the risk of loss with Fannie Mae, they are able to originate, underwrite, close and service most loans without our pre-review.
(6) Multifamily loans under $3 million and up to $5 million in high cost of living areas.

Fannie Mae Multifamily Credit Profile by Acquisition Year

Multifamily SDQ Rate by Acquisition Year



Cumulative Defaults by Acquisition Year



As of September 30, 2012	Unpaid Principal Balance (Billions)	% of Multifamily Guaranty Book of Business (UPB)	% Seriously Delinquent (2)	# of Seriously Delinquent Loans (2)	% of 2012 YTD Multifamily Credit Losses	% of 2011 Multifamily Credit Losses	% of 2010 Multifamily Credit Losses
Total Multifamily Guaranty Book of Business (1)	$200.1	100%	0.28%	228	100%	100%	100%
By Acquisition Year:							
2012	$23.0	11%	0.03%	1	-	-	-
2011	$24.0	12%	0.01%	1	0%	-	-
2010	$17.3	9%	-	-	0%	-	-
2009	$17.4	9%	0.19%	7	8%	6%	2%
2008	$28.4	14%	0.51%	68	27%	31%	17%
2007	$34.9	17%	0.52%	85	46%	33%	38%
2006	$16.1	8%	0.30%	17	9%	7%	17%
2005	$13.3	7%	0.21%	12	16%	3%	2%
Prior to 2005	$25.7	13%	0.45%	37	-6%	20%	25%

(1) Excludes loans that have been defeased. Defeasance is prepayment of a loan through substitution of collateral.
(2) We classify multifamily loans as seriously delinquent when payment is 60 days or more past due.

Note: Negative values are the result of recoveries on previously charged-off amounts.

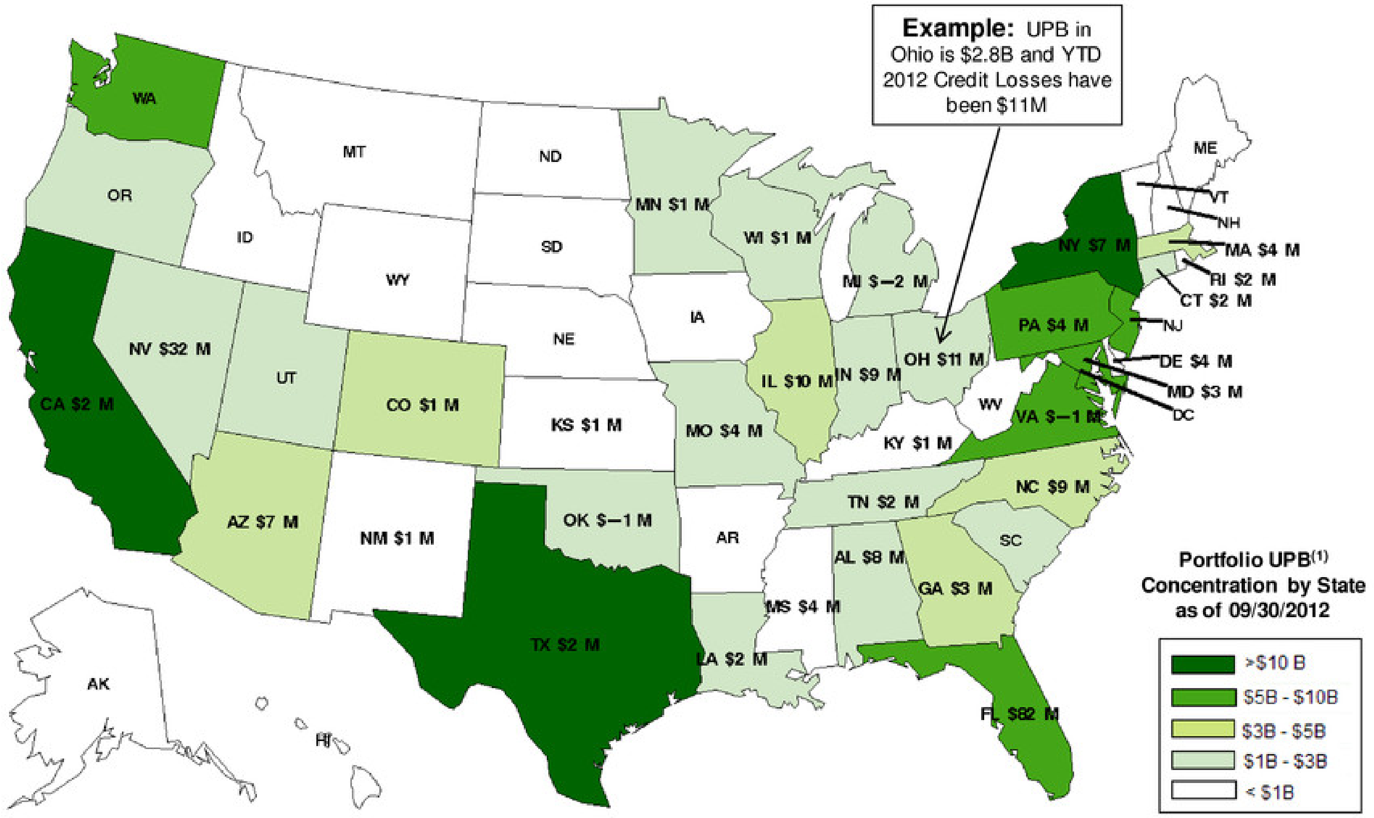
FannieMae

Fannie Mae Multifamily Credit Profile

As of September 30, 2012	Unpaid Principal Balance (Billions)	% of Multifamily Guaranty Book of Business (UPB)	% Seriously Delinquent [2]	% of 2012 YTD Multifamily Credit Losses	% of 2011 Multifamily Credit Losses	% of 2010 Multifamily Credit Losses
Total Multifamily Guaranty Book of Business [1]	$200.1	100%	0.28%	100%	100%	100%
Region: [3]						
Midwest	$16.6	8%	0.88%	13%	23%	10%
Northeast	$42.8	21%	0.30%	10%	3%	5%
Southeast	$40.7	20%	0.32%	52%	42%	40%
Southwest	$34.9	17%	0.18%	8%	26%	40%
Western	$65.0	32%	0.15%	16%	6%	6%
Top Five States by UPB:						
California	$51.1	26%	0.07%	1%	1%	2%
New York	$25.5	13%	0.15%	3%	0%	1%
Texas	$17.1	9%	0.22%	1%	19%	12%
Florida	$9.8	5%	0.32%	38%	10%	13%
Virginia	$7.7	4%	0.10%	0%	0%	0%
Asset Class: [4]						
Conventional/Co-op	$177.4	89%	0.28%	96%	96%	99%
Seniors Housing	$14.5	7%	0.34%	-	-	-
Manufactured Housing	$5.3	3%	0.32%	0%	0%	0%
Student Housing	$2.8	1%	0.13%	3%	4%	1%
Targeted Affordable Segment:						
Privately Owned with Subsidy [5]	$28.1	14%	0.22%	5%	14%	6%
DUS & Non-DUS Lenders/Servicer:						
DUS: Bank (Direct, Owned Entity, or Subsidiary)	$59.5	30%	0.33%	9%	29%	45%
DUS: Non-Bank Financial Institution	$125.9	63%	0.23%	83%	68%	50%
Non-DUS: Bank (Direct, Owned Entity, or Subsidiary)	$13.4	7%	0.54%	6%	1%	4%
Non-DUS: Non-Bank Financial Institution	$1.1	1%	0.70%	2%	1%	1%
Non-DUS: Public Agency/Non Profit	$0.1	0%	-	0%	0%	0%

(1) Excludes loans that have been defeased. Defeasance is prepayment of a loan through substitution of collateral.
(2) We classify multifamily loans as seriously delinquent when payment is 60 days or more past due.
(3) For information on which states are included in each region, refer to Fannie Mae's 2012 Q3 Form 10-Q.
(4) Asset Class Definitions: Conventional/Co-Op Housing: Privately owned multifamily properties or multifamily properties in which the residents collectively own the property through their shares in the cooperative corporation. Seniors Housing: Multifamily rental properties for senior citizens. Manufactured Housing: A residential real estate development consisting of housing sites for manufactured homes, related amenities, utility services, landscaping, roads and other infrastructure. Student Housing: Multifamily rental properties in which 80% or more of the units are leased to undergraduate and/or graduate students.
(5) The Multifamily Affordable Business Channel focuses on financing properties which are under a regulatory agreement that provides long-term affordability, such as properties with rent subsidies or income restrictions.

Fannie Mae Multifamily YTD 2012 Credit Losses by State ($ Millions)



Numbers: Represent YTD 2012 credit losses for each state which total $213M as of September 30, 2012. States with no numbers had less than $1 million in credit losses in YTD 2012.
Shading: Represent Unpaid Principal Balance (UPB) for each state which total $200.1B as of September 30, 2012.

(1) Excludes loans that have been defeased. Defeasance is prepayment of a loan through substitution of collateral.

Note: Negative values are the result of recoveries on previously charged-off amounts.