UNITED STATES SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

Form 10-Q

☑ **QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the quarterly period ended September 30, 2026

OR

☐ **TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the transition period from to

Commission file number: 0-50231

Federal National Mortgage Association

(Exact name of registrant as specified in its charter)

Fannie Mae

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

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

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

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes ☑ No ☐

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§ 232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files). Yes ☑ No ☐

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company, or an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer," "smaller reporting company," and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer	☑	Accelerated filer	☐
Non-accelerated filer	☐	Smaller reporting company	☐
		Emerging growth company	☐

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

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes☐ No ☑

As of October 9, 2026, there were 1,158,087,567 shares of common stock of the registrant outstanding.

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PART I—FINANCIAL INFORMATION

Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations

You should read this Management's Discussion and Analysis of Financial Condition and Results of Operations ("MD&A") in conjunction with our unaudited condensed consolidated financial statements and related notes in this report and the more detailed information in our annual report on Form 10-K for the year ended December 31, 2025 ("2025 Form 10-K"). You can find a "Glossary of Terms Used in This Report" in MD&A in our 2025 Form 10-K.

This report includes forward-looking statements based on management's current expectations that are subject to significant uncertainties. Future events and our results may differ materially from those reflected in our forward-looking statements due to a variety of factors, including those discussed in "Forward-Looking Statements" and elsewhere in this report and in "Risk Factors" and elsewhere in our 2025 Form 10-K.

About Fannie Mae

Fannie Mae is a leading source of financing for residential mortgages in the United States. We provided $344.1 billion in liquidity to the mortgage market in the first nine months of 2026, which enabled the financing of approximately 1.2 million home purchases, refinancings, and rental units.

We are a government-sponsored, stockholder-owned corporation, chartered by Congress to provide liquidity and stability to the U.S. housing market and to promote access to mortgage credit. We primarily do this by buying residential mortgage loans that are originated by lenders. We place these loans into trusts and issue guaranteed mortgage-backed securities ("MBS" or "Fannie Mae MBS") that global investors buy from us. We do not originate mortgage loans or lend money directly to borrowers.

We provide a guaranty on the MBS that we issue. If a borrower fails to make a payment on a mortgage loan that is included in a Fannie Mae MBS, we pay the shortfall amount to the MBS investor. In exchange for providing this guaranty, we receive a guaranty fee. Guaranty fees are the primary source of our revenues.

Because we assume the credit risk for mortgage loans in our MBS, our earnings are affected by the credit performance of these loans. Credit risk management is therefore key to our business and financial results. To help manage our mortgage credit risk exposure, and in response to capital and other requirements, we transfer some of our credit risk exposure to third parties through credit risk transfer and mortgage insurance. For a discussion of how we manage credit risk, see "MD&A—Single-Family Business—Single-Family Mortgage Credit Risk Management" and "MD&A—Multifamily Business—Multifamily Mortgage Credit Risk Management" in this report and in our 2025 Form 10-K.

We support both single-family and multifamily housing. Our Single-Family business provides financing for properties that have four or fewer residential units. Our Multifamily business provides financing for residential buildings with five or more units. As of June 30, 2026 (the latest date for which information is available), Fannie Mae owned or guaranteed an estimated 24% of single-family mortgage debt outstanding and an estimated 21% of multifamily mortgage debt outstanding in the United States.

We have been in conservatorship since 2008. The Federal Housing Finance Agency ("FHFA") is our conservator. During conservatorship, our Board has no fiduciary duties to the company or its stockholders, as they owe their fiduciary duties of care and loyalty solely to FHFA as conservator. Since March 17, 2025, the FHFA Director has served as the Chair of our Board, and FHFA's General Counsel has also served as a member of our Board. Conservatorship and our agreements with the U.S. Department of the Treasury ("Treasury") significantly restrict our business activities and stockholder rights. For more information about the impact of conservatorship and these agreements on our business, stockholders, and our uncertain future, see "Business—Conservatorship and Treasury Agreements" and "Risk Factors—GSE and Conservatorship Risk" in our 2025 Form 10-K.

Recent Developments

VantageScore 4.0 Expansion

Effective September 2026, all Fannie Mae-approved lenders may elect to use a VantageScore® 4.0 credit score when originating eligible single-family mortgage loans and delivering those loans to Fannie Mae. This expansion follows the initial rollout of VantageScore 4.0 to a limited number of approved lenders in April 2026. We also aligned the loan-level price adjustments across classic FICO® and VantageScore 4.0 effective October 1, 2026, creating a consistent pricing

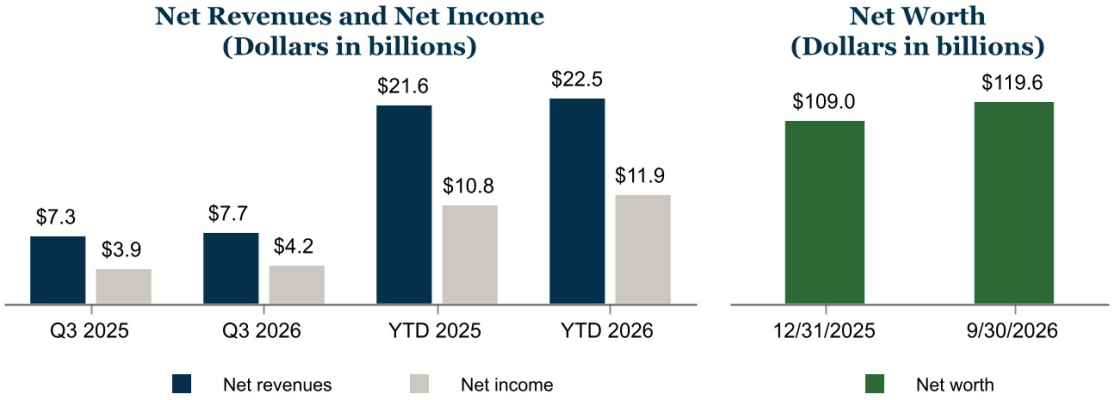
approach across both credit score models. See “Single-Family Business—Single-Family Mortgage Credit Risk Management—Single-Family Acquisition and Servicing Policies and Underwriting and Servicing Standards—New Credit Score Models and Pricing Change” for more information.

Executive Order on Housing Costs

On October 22, 2026, the President issued an executive order aimed at decreasing housing costs for the American people. Among other things, the executive order directs the Director of FHFA, under specified conditions, to direct Fannie Mae and Freddie Mac to take a number of actions. See “Legislation and Regulation—Executive Order on Housing Costs” for more information on the executive order.

Financial Results Summary

Please read this summary together with our MD&A, our condensed consolidated financial statements and the accompanying notes included in this report.



Quarterly Results

- *Net income* increased by $318 million in the third quarter of 2026 compared with the third quarter of 2025, primarily driven by a $617 million increase in fair value gains and a $344 million increase in net revenues. These factors were partially offset by an $802 million increase in provision for credit losses.
    - *Net revenues* increased by $344 million, primarily driven by a $249 million increase in net interest income from portfolios.
    - *Provision for credit losses* was $1.1 billion in the third quarter of 2026, reflecting a $694 million single-family provision and a $446 million multifamily provision, compared with a $338 million provision in the third quarter of 2025, which reflected a $269 million single-family provision and a $69 million multifamily provision.

Year-to-Date Results

- *Net income* increased by $1.0 billion in the first nine months of 2026 compared with the first nine months of 2025, primarily driven by an $863 million increase in net revenues, an $825 million decrease in non-interest expense, and a $328 million increase in fair value gains. These factors were partially offset by a $594 million increase in provision for credit losses and a $230 million shift from investment gains in the first nine months of 2025 to investment losses in the first nine months of 2026.
    - *Net revenues* increased by $863 million, primarily driven by a $546 million increase in net interest income from portfolios, a $186 million increase in net interest income from base guaranty fees, and a $169 million increase in net deferred guaranty fee income.
    - *Provision for credit losses* was $1.9 billion in the first nine months of 2026, reflecting a $1.0 billion single-family provision and an $879 million multifamily provision, compared with a $1.3 billion provision in the first nine months of 2025, which reflected a $1.0 billion single-family provision and a $278 million multifamily provision.

- *Non-interest expense* was $6.4 billion in the first nine months of 2026, a decrease of $825 million from the first nine months of 2025, primarily due to a $318 million decrease in administrative expenses and a $285 million decrease in other expenses.

- *Net worth* increased by $10.6 billion in the first nine months of 2026 to $119.6 billion as of September 30, 2026, which reflected our net income of $11.9 billion, partially offset by $1.3 billion in other comprehensive loss.

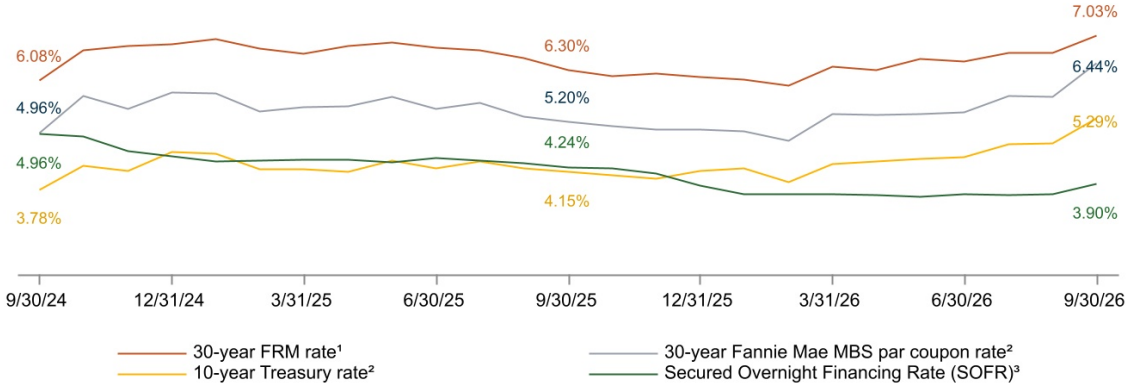
For more information on the drivers of our financial results, see “Consolidated Results of Operations.”

Key Market Economic Indicators

In “MD&A—Key Market Economic Indicators” in our 2025 Form 10-K, we discuss how varying macroeconomic conditions can influence our financial results across different business and economic environments, and we provide forecasts and expectations with respect to some of these macroeconomic conditions. Below we provide an update to these forecasts and expectations, as well as updates to certain macroeconomic information. Our forecasts and expectations are based on many assumptions, subject to many uncertainties and may change, perhaps substantially, from our current forecasts and expectations. See “Risk Factors” in our 2025 Form 10-K and “Forward-Looking Statements” in this report for a discussion of factors that could cause actual results to differ materially from our current forecasts and expectations.

Market Interest Rates

Selected Market Interest Rates



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

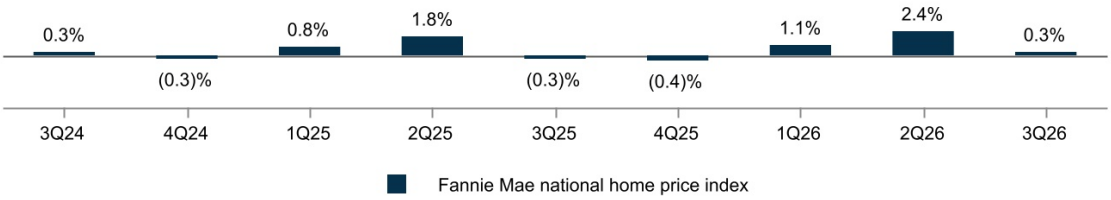
(2) According to Bloomberg.

(3) Refers to the daily rate per the Federal Reserve Bank of New York.

The U.S. weekly average 30-year fixed-rate mortgage rate increased to 7.03% at the end of the third quarter of 2026, compared to 6.49% at the end of the second quarter of 2026.

Home Prices

Single-Family Quarterly Home Price Growth (Decline) Rate[1]

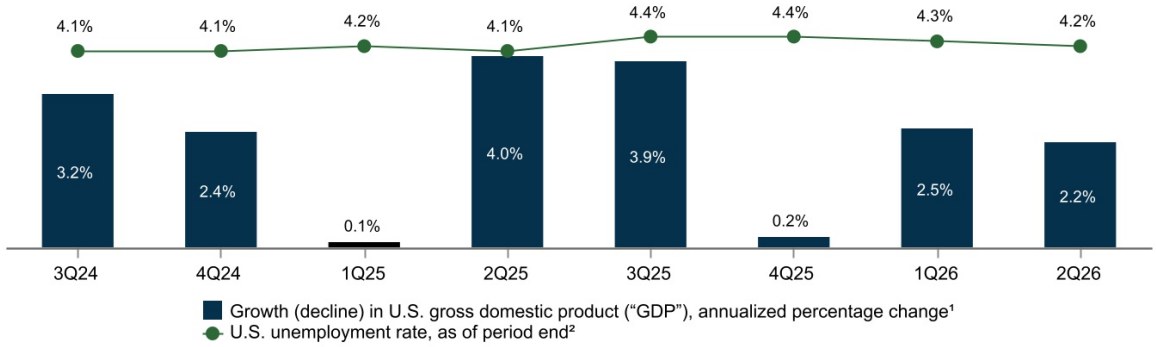


(1) Calculated internally using property data on loans purchased by Fannie Mae, Freddie Mac and other third-party home sales data. Fannie Mae's home price index is a weighted repeat-transactions index, measuring average price changes in repeat sales on the same properties. Fannie Mae's home price index excludes prices on properties sold in foreclosure. Fannie Mae's home price growth rates represent estimates based on non-seasonally adjusted preliminary data and are subject to change as additional data becomes available.

We currently estimate home prices on a national basis increased by 3.8% in the first nine months of 2026. Based on our expectation of a seasonal decline in home prices in the fourth quarter of 2026, we expect home price growth of 2.7% on a national basis for the full year of 2026. We also expect regional variation in the timing and rate of home price changes.

Economic Activity

GDP and Unemployment Rate



(1) Real GDP growth (decline) is based on the quarterly series calculated by the Bureau of Economic Analysis and is subject to revision.

(2) According to the U.S. Bureau of Labor Statistics and subject to revision.

U.S. gross domestic product ("GDP") increased by 2.2% in the second quarter of 2026. Bureau of Economic Analysis GDP data for the third quarter of 2026 was not available at the time of filing this report. We expect GDP growth to continue in the second half of 2026. The unemployment rate was 4.2% as of the end of both the third quarter and the second quarter of 2026. We expect the unemployment rate to remain relatively stable in the fourth quarter of 2026.

The impact of trade, fiscal, monetary, regulatory, and immigration policies is uncertain and could materially impact our outlook for interest rates, home price growth, economic growth, and the unemployment rate. Our housing and economic outlook also could be affected by the impact of geopolitical events, including the continuation or worsening of the conflict in the Middle East. See "Risk Factors—Credit Risk" and "Risk Factors—Market and Industry Risk" in our 2025 Form 10-K for discussion of risks to our business and financial results associated with interest rates, home prices, economic conditions, and geopolitical events.

Consolidated Results of Operations

This section discusses our condensed consolidated results of operations and should be read together with our condensed consolidated financial statements and the accompanying notes.

Summary of Condensed Consolidated Results of Operations

	For the Three Months Ended September 30,			For the Nine Months Ended September 30,		
	2026	2025	Variance	2026	2025	Variance
	(Dollars in millions)					
Net interest income[1]	**$ 7,559**	$ 7,184	$ 375	**$ 22,250**	$ 21,340	$ 910
Fee and other income	**92**	123	(31)	**246**	293	(47)
Net revenues	**7,651**	7,307	344	**22,496**	21,633	863
Fair value gains (losses), net	**630**	13	617	**675**	347	328
Investment gains (losses), net	**94**	120	(26)	**(130)**	100	(230)
Other gains (losses), net	**724**	133	591	**545**	447	98
(Provision) benefit for credit losses	**(1,140)**	(338)	(802)	**(1,902)**	(1,308)	(594)
Non-interest expense:						
Administrative expenses[2]	**(784)**	(819)	35	**(2,340)**	(2,658)	318
Legislative assessments[3]	**(924)**	(943)	19	**(2,789)**	(2,813)	24
Credit enhancement expense[4]	**(371)**	(409)	38	**(1,090)**	(1,288)	198
Other income (expense), net[5]	**(44)**	(96)	52	**(155)**	(440)	285
Total non-interest expense	**(2,123)**	(2,267)	144	**(6,374)**	(7,199)	825
Income before federal income taxes	**5,112**	4,835	277	**14,765**	13,573	1,192
Provision for federal income taxes	**(935)**	(976)	41	**(2,886)**	(2,736)	(150)
Net income	**4,177**	3,859	318	**11,879**	10,837	1,042
Other comprehensive income (loss)[6]	**(1,037)**	(10)	(1,027)	**(1,254)**	(9)	(1,245)
Total comprehensive income	**$ 3,140**	$ 3,849	$ (709)	**$ 10,625**	$ 10,828	$ (203)

(1) Includes net interest income generated by the 10 basis point guaranty fee increase we implemented pursuant to the Temporary Payroll Tax Cut Continuation Act of 2011 ("TCCA"), and as extended by the Infrastructure Investment and Jobs Act, which is paid to Treasury and not retained by us. We refer to this as TCCA fees, or income related to TCCA.

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

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

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

(5) Primarily consists of foreclosed property income (expense), change in the expected benefits from our freestanding credit enhancements, and gains (losses) from partnership investments.

(6) Primarily consists of unrealized gains (losses) on our available-for-sale ("AFS") U.S. Treasury security investments.

Net Interest Income

Overview

Our primary source of net interest income is guaranty fees we receive for assuming the credit risk on mortgage loans underlying Fannie Mae MBS held by third parties in our guaranty book of business. We also recognize net interest income on the difference between interest income earned on the assets in our retained mortgage portfolio and our corporate liquidity portfolio (collectively, our "portfolios") and the interest expense associated with our funding debt. In addition, income or expense from hedge accounting is a component of our net interest income. See "MD&A—Consolidated Results of Operations—Net Interest Income" in our 2025 Form 10-K for more information about the sources of our net interest income.

Components of Net Interest Income

The table below displays the components of our net interest income from our guaranty book of business, from our portfolios, as well as from hedge accounting.

Components of Net Interest Income

	For the Three Months Ended September 30,			For the Nine Months Ended September 30,		
	2026	2025	Variance	2026	2025	Variance
	(Dollars in millions)					
Net interest income from guaranty book of business:						
Base guaranty fee income excluding TCCA	**$ 4,322**	$ 4,263	$ 59	**$ 12,898**	$ 12,694	$ 204
Base guaranty fee income related to TCCA	**850**	855	(5)	**2,552**	2,570	(18)
Net deferred guaranty fee income	**868**	794	74	**2,565**	2,396	169
Total net interest income from guaranty book of business	**6,040**	5,912	128	**18,015**	17,660	355
Net interest income from portfolios[1]	**1,666**	1,417	249	**4,716**	4,170	546
Income (expense) from hedge accounting[2]	**(147)**	(145)	(2)	**(481)**	(490)	9
Total net interest income	**$ 7,559**	$ 7,184	$ 375	**$ 22,250**	$ 21,340	$ 910

(1) Includes interest income from assets held in our retained mortgage portfolio and our corporate liquidity portfolio, as well as other assets used to support lender liquidity. Also includes interest expense on our funding debt.

(2) For more information about our hedge accounting program, see "Note 9, Derivative Instruments."

Net interest income increased by $375 million in the third quarter of 2026 compared with the third quarter of 2025, and by $910 million in the first nine months of 2026 compared with the first nine months of 2025, primarily driven by higher net interest income from portfolios. Higher base guaranty fee income and higher net deferred guaranty fee income also contributed to the increase in net interest income in the first nine months of 2026 compared with the first nine months of 2025.

- *Higher net interest income from portfolios.* Higher net interest income from portfolios in the third quarter and first nine months of 2026 compared with the third quarter and first nine months of 2025 was primarily driven by higher average balances of our retained mortgage portfolio, reflecting acquisitions of agency MBS during 2026. This increase was partially offset by higher interest expense on funding debt due to higher average balances and lower net interest income from our corporate liquidity portfolio due to lower average balances. See "Retained Mortgage Portfolio" for more information about our retained mortgage portfolio and "Liquidity and Capital Management—Liquidity Management—Corporate Liquidity Portfolio" for more information about our corporate liquidity portfolio.
- *Higher base guaranty fee income.* Higher base guaranty fee income in the first nine months of 2026 compared with the first nine months of 2025 was primarily due to higher average guaranty fees on our single-family conventional guaranty book of business and an increase in the size of our multifamily guaranty book of business.
- *Higher net deferred guaranty fee income*. Higher net deferred guaranty fee income in the first nine months of 2026 compared with the first nine months of 2025 was largely driven by higher single-family prepayment volumes.

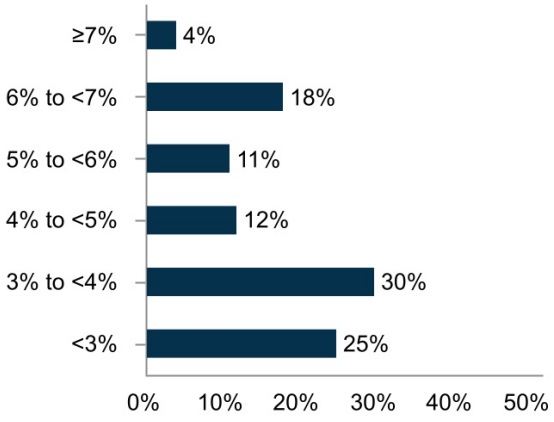
Analysis of Unamortized Deferred Guaranty Fees

The following charts present information about the interest rates of the loans in our single-family conventional guaranty book of business as well as information about our deferred guaranty fees.

As shown in the chart below (on the left), substantially all of our single-family conventional guaranty book of business as of September 30, 2026 had an interest rate lower than the U.S. weekly average 30-year fixed-rate mortgage rate. Per Freddie Mac's Primary Mortgage Market Survey®, as of September 24, 2026, the U.S. weekly average interest rate for a single-family 30-year fixed-rate mortgage was 7.03%. Even if interest rates decline to 5%, a majority of the borrowers whose mortgage loans are in our single-family conventional guaranty book of business still would not be incentivized to refinance.

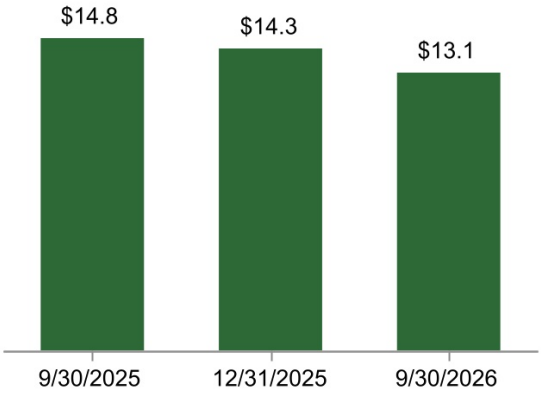
The other chart below (on the right) presents guaranty fees that will be amortized into deferred guaranty fee income in future periods, which we refer to as "unamortized deferred guaranty fees," as described in "MD&A—Consolidated Results of Operations—Net Interest Income—Analysis of Unamortized Deferred Guaranty Fees" in our 2025 Form 10-K.

Interest Rates of Single-Family Conventional Guaranty Book of Business
As of September 30, 2026



Represents the percentage of single-family conventional guaranty book of business by select interest rate band based on the current interest rate of the mortgage loans.

Unamortized Deferred Guaranty Fees
(Dollars in billions)



Represents the net unamortized cost basis adjustment balance that will be amortized and recognized through deferred guaranty fee income over the remaining contractual life of the mortgage loans or debt.

The amount of deferred guaranty fee income we record can vary and is primarily impacted by: (1) the amount of upfront fees we charge on single-family mortgage loans, (2) changes in interest rates, which affect the premiums and discounts we record on newly acquired mortgage loans and newly created debt of consolidated trusts, and (3) the amount by which premiums and discounts on existing loans and debt of consolidated trusts are different compared to newly acquired loans and debt. The balance of our unamortized deferred guaranty fees decreased as of September 30, 2026, compared with December 31, 2025, largely as a result of amortization of existing upfront fees on single-family loans and premiums on existing MBS debt. In addition, rising interest rates lowered pricing on newly issued MBS debt, resulting in net discounts that further reduced the balance.

Analysis of Net Interest Income

The table below displays an analysis of our net interest income, average balances and related yields earned on assets and incurred on liabilities. For most components of the average balances, we use a daily weighted average of the unpaid principal balance ("UPB") net of unamortized cost basis adjustments. When daily average balance information is not available, such as for mortgage loans, we use monthly averages.

Analysis of Net Interest Income and Yield[1]

	For the Three Months Ended September 30,					
	2026			2025		
	Average Balance	Interest Income/ (Expense)	Average Rates Earned/Paid	Average Balance	Interest Income/ (Expense)	Average Rates Earned/Paid
	(Dollars in millions)					
Interest-earning assets:						
Cash	**$ 10,959**	**$ 102**	**3.72 %**	$ 11,618	$ 129	4.44 %
Securities purchased under agreements to resell	**62,437**	**592**	**3.79**	75,484	844	4.47
Investments in securities	**98,386**	**938**	**3.81**	76,745	614	3.20
Mortgage loans:						
Mortgage loans of Fannie Mae	**70,623**	**697**	**3.95**	55,368	599	4.33
Mortgage loans of consolidated trusts	**4,053,657**	**39,265**	**3.87**	4,076,794	37,745	3.70
Total mortgage loans[2]	**4,124,280**	**39,962**	**3.88**	4,132,162	38,344	3.71
Advances to lenders	**2,270**	**28**	**4.93**	3,262	46	5.64
Total interest-earning assets	**$ 4,298,332**	**$ 41,622**	**3.87 %**	$ 4,299,271	$ 39,977	3.72 %
Interest-bearing liabilities:						
Short-term funding debt	**$ 34,350**	**$ (323)**	**3.76 %**	$ 14,467	$ (154)	4.26 %
Long-term funding debt	**144,710**	**(1,595)**	**4.41**	111,070	(1,249)	4.50
Total debt of Fannie Mae	**179,060**	**(1,918)**	**4.28**	125,537	(1,403)	4.47
Debt securities of consolidated trusts held by third parties	**3,989,082**	**(32,145)**	**3.22**	4,063,137	(31,390)	3.09
Total interest-bearing liabilities	**$ 4,168,142**	**$ (34,063)**	**3.27 %**	$ 4,188,674	$ (32,793)	3.13 %
Net interest income/net interest yield		**$ 7,559**	**0.70 %**		$ 7,184	0.67 %

Analysis of Net Interest Income and Yield[1]

	For the Nine Months Ended September 30,					
	2026			2025		
	Average Balance	Interest Income/ (Expense)	Average Rates Earned/Paid	Average Balance	Interest Income/ (Expense)	Average Rates Earned/Paid
	(Dollars in millions)					
Interest-earning assets:						
Cash	**$ 11,033**	**$ 303**	**3.66 %**	$ 11,614	$ 382	4.39 %
Securities purchased under agreements to resell	**63,185**	**1,770**	**3.74**	79,324	2,640	4.44
Investments in securities	**84,479**	**2,310**	**3.65**	79,916	1,818	3.03
Mortgage loans:						
Mortgage loans of Fannie Mae	**65,416**	**2,052**	**4.18**	52,430	1,640	4.17
Mortgage loans of consolidated trusts	**4,062,655**	**116,109**	**3.81**	4,084,093	111,796	3.65
Total mortgage loans[2]	**4,128,071**	**118,161**	**3.82**	4,136,523	113,436	3.66
Advances to lenders	**2,925**	**108**	**4.92**	3,023	128	5.65
Total interest-earning assets	**$ 4,289,693**	**$ 122,652**	**3.81 %**	$ 4,310,400	$ 118,404	3.66 %
Interest-bearing liabilities:						
Short-term funding debt	**$ 27,845**	**$ (771)**	**3.69 %**	$ 11,363	$ (362)	4.25 %
Long-term funding debt	**134,314**	**(4,437)**	**4.40**	119,675	(3,832)	4.27
Total debt of Fannie Mae	**162,159**	**(5,208)**	**4.28**	131,038	(4,194)	4.27
Debt securities of consolidated trusts held by third parties	**4,002,581**	**(95,194)**	**3.17**	4,070,846	(92,870)	3.04
Total interest-bearing liabilities	**$ 4,164,740**	**$ (100,402)**	**3.21 %**	$ 4,201,884	$ (97,064)	3.08 %
Net interest income/net interest yield		**$ 22,250**	**0.69 %**		$ 21,340	0.66 %

(1) Includes the effects of discounts, premiums and other cost basis adjustments, including basis adjustments related to hedge accounting.

(2) Average balance includes mortgage loans on nonaccrual status. Interest income includes loan fees of $742 million and $2.3 billion, respectively, for the third quarter of 2026 and the first nine months of 2026, compared with $767 million and $2.2 billion, respectively, for the third quarter of 2025 and first nine months of 2025. Loan fees primarily consist of the amortization of upfront cash fees exchanged when we acquire the mortgage loan and yield maintenance revenue we recognized on the prepayment of multifamily mortgage loans.

(Provision) Benefit for Credit Losses

The table below presents our single-family and multifamily benefit or provision for credit losses and the change in expected credit enhancement recoveries. The benefit or provision for credit losses includes our benefit or provision for loan losses, advances of pre-foreclosure costs, accrued interest receivable losses, our guaranty loss reserves and credit losses on our available-for-sale ("AFS") debt securities.

(Provision) Benefit for Credit Losses and Change in Expected Credit Enhancement Recoveries by Segment

	For the Three Months Ended September 30,		For the Nine Months Ended September 30,	
	2026	2025	2026	2025
	(Dollars in millions)			
(Provision) benefit for credit losses:				
Single-family (provision) benefit for credit losses	**$ (694)**	$ (269)	**$ (1,023)**	$ (1,030)
Multifamily (provision) benefit for credit losses	**(446)**	(69)	**(879)**	(278)
Total (provision) benefit for credit losses	**$ (1,140)**	$ (338)	**$ (1,902)**	$ (1,308)
Change in expected credit enhancement recoveries:[1]				
Single-family	**$ 5**	$ (11)	**$ 11**	$ (23)
Multifamily	**170**	57	**373**	119
Total change in expected credit enhancement recoveries	**$ 175**	$ 46	**$ 384**	$ 96

(1) Consists of estimated changes in benefits from our freestanding credit enhancements, which are recognized as a component of "Other income (expense), net" in our condensed consolidated statements of operations and comprehensive income.

Single-Family (Provision) Benefit for Credit Losses

Our single-family provision for credit losses in the third quarter of 2026 was primarily driven by higher actual and projected interest rates, which extend the expected life of the loans, provision related to loans acquired during the period for our single-family guaranty book of business, and loans that became newly delinquent.

Our single-family provision for credit losses in the first nine months of 2026 was primarily driven by provision related to loans acquired during the period for our single-family guaranty book of business, loans that became newly delinquent, and higher actual and projected interest rates.

For both the third quarter and first nine months 2026, these factors were partially offset by benefits from actual home price growth and loans liquidating from our single-family guaranty book of business.

Our single-family provision for credit losses in the third quarter of 2025 was primarily driven by provision associated with loans that we acquired during the period, which primarily consisted of purchase loans.

Our single-family provision for credit losses in the first nine months of 2025 was primarily driven by provision associated with loans that we acquired during the period, which primarily consisted of purchase loans, and by weaker-than-expected home price growth.

For further discussion of how our single-family provision is affected by purchase loan acquisitions, loan delinquencies, home prices, and interest rates, see "MD&A—Consolidated Results of Operations—(Provision) Benefit for Credit Losses" in our 2025 Form 10-K. Additional information on home price growth and our home price forecast is provided in "Key Market Economic Indicators" in this report and in our 2025 Form 10-K. Also see "Critical Accounting Estimates" in this report for further discussion of our home price and interest rate forecasts and their impact on our single-family (provision) benefit for credit losses.

Multifamily (Provision) Benefit for Credit Losses

Our multifamily provision for credit losses in the third quarter and first nine months of 2026 was primarily driven by weakening credit metrics on loans in our multifamily guaranty book of business and a decline in our near-term forecast for multifamily property values. The deterioration in credit metrics primarily reflected higher mark-to-market loan-to-value ("LTV") ratios on multifamily properties, loans with lower debt service coverage ratios driven by lower net operating income reported for the underlying properties, and new loan delinquencies. Higher actual and projected interest rates were also a primary driver of provision for each period.

See “Multifamily Business—Multifamily Mortgage Credit Risk Management—Multifamily Problem Loan Management” and “Note 11, Concentrations of Credit Risk” for additional information about loan delinquencies in our multifamily guaranty book of business as well as additional information about ongoing multifamily market challenges. Also see “Critical Accounting Estimates” for further discussion of our property value growth rate and net operating income growth rate forecasts and their impact on our multifamily (provision) benefit for credit losses.

Our multifamily provision for credit losses in the third quarter and first nine months of 2025 was primarily driven by an increase in delinquencies including provision from seriously delinquent loans that were written down to the net recoverable amount of the loans’ collateral during the period.

Fair Value Gains (Losses), Net

The estimated fair value of our derivatives, trading securities and other financial instruments carried at fair value may fluctuate substantially from period to period because of changes in interest rates, the yield curve, mortgage and credit spreads and implied volatility, as well as activity related to these financial instruments.

Our hedge accounting program is designed to hedge our exposure to changes in benchmark interest rates, specifically the Secured Overnight Financing Rate (“SOFR”), and cannot be applied to changes in interest rate spreads, convexity, or seasoning (i.e., the effect of financial instruments moving closer to maturity). As a result, our fair value gains and losses after the impact of hedge accounting are impacted by components unrelated to changes in SOFR. See “Note 1, Summary of Significant Accounting Policies—Fair Value Hedge Accounting” in our 2025 Form 10-K for additional information.

The table below displays our fair value gains (losses) both before and after the impact of hedge accounting.

Fair Value Gains (Losses), Net

	For the Three Months Ended September 30,		For the Nine Months Ended September 30,	
	2026	2025	2026	2025
	(Dollars in millions)			
Total pre-hedge accounting fair value gains (losses)	**$ 3,352**	$ (61)	**$ 3,525**	$ (27)
Impact of hedge accounting[1]	**(2,722)**	74	**(2,850)**	374
Total fair value gains (losses), net	**$ 630**	$ 13	**$ 675**	$ 347

[1] The “Impact of hedge accounting” reflected in this table shows the net gain or loss from swaps in hedging relationships plus any accrued interest during the applicable periods, which are recognized in “Net interest income.”

In the third quarter and first nine months of 2026, fair value gains before the impact of hedge accounting were primarily driven by increasing interest rates, resulting in gains on risk management derivatives and mortgage commitment derivatives, partially offset by losses on fixed-rate trading securities. Our hedge accounting program largely offset targeted benchmark interest rate-driven fair value movements. The net fair value gains recognized after the impact of hedge accounting included gains on mortgage commitment derivatives from changes in secondary spreads and interest rate-driven gains that remained after hedge accounting.

In the third quarter and first nine months of 2025, our hedge accounting program largely mitigated the impact of benchmark interest rate-driven fair value movements. The net fair value gains recognized in the first nine months of 2025 reflect residual impacts not offset by hedge accounting, including gains on fixed-rate trading securities and risk management derivatives.

Investment Gains (Losses), Net

We shifted from investment gains of $100 million in the first nine months of 2025 to investment losses of $130 million in the first nine months of 2026. The investment losses in the first nine months of 2026 were driven by debt extinguishment losses resulting from our acquisitions of consolidated MBS for our retained mortgage portfolio in the first nine months of 2026. See “Note 1, Summary of Significant Accounting Policies—Debt” in our 2025 Form 10-K for more information about how we record debt extinguishment gains or losses.

Administrative Expenses

Administrative expenses decreased by $318 million in the first nine months of 2026 compared with the first nine months of 2025, primarily driven by lower professional services fees, employee headcount, and severance costs.

Legislative Assessments

The table below displays the components of our legislative assessments.

Legislative Assessments

	For the Three Months Ended September 30,		For the Nine Months Ended September 30,	
	2026	2025	2026	2025
	(Dollars in millions)			
TCCA fees[1]	**$ 850**	$ 855	**$ 2,552**	$ 2,570
FHFA assessments[2]	**31**	42	**93**	123
Affordable housing allocations:[3]				
Treasury's Capital Magnet Fund	**15**	16	**50**	42
HUD's Housing Trust Fund	**28**	30	**94**	78
Total affordable housing allocations	**43**	46	**144**	120
Total legislative assessments	**$ 924**	$ 943	**$ 2,789**	$ 2,813

(1) TCCA fees are expenses recognized as a result of the 10 basis point increase in guaranty fees on all single-family mortgages delivered to us on or after April 1, 2012 pursuant to the Temporary Payroll Tax Cut Continuation Act of 2011 and as extended by the Infrastructure Investment and Jobs Act, which we pay to Treasury.

(2) FHFA assessments are expenses relating to our obligation under the Federal Housing Enterprises Financial Safety and Soundness Act of 1992, as amended (the "GSE Act"), to pay FHFA to cover a portion of its costs, expenses and working capital.

(3) Affordable housing allocations relates to the GSE Act requirement to set aside each year an amount equal to 4.2 basis points of the UPB of our new business purchases and to pay this amount to specified U.S. Department of Housing and Urban Development ("HUD") and Treasury funds in support of affordable housing. In March 2026, we paid $171 million to the HUD and Treasury funds based on $408.2 billion in new business purchases in 2025. For the first nine months of 2026, we recognized expenses of $144 million related to this obligation based on $343.5 billion in new business purchases during the period. We expect to pay this amount to the funds in 2027, plus additional amounts to be accrued based on our new business purchases in the fourth quarter of 2026.

Other Income (Expense), Net

Other expense, net decreased by $285 million in the first nine months of 2026 compared with the first nine months of 2025. This decrease was primarily driven by an increase in benefits we expect to receive from our multifamily freestanding credit enhancements resulting from the larger multifamily provision for credit losses in the first nine months of 2026 compared with the first nine months of 2025. Also contributing to the decrease was a decrease in single-family foreclosed property expense. These decreases were partially offset by an increase in multifamily property foreclosure expense, as described further in "Business Segment Financial Results."

Other Comprehensive Income (Loss), Net

The increase in other comprehensive loss for the third quarter and first nine months of 2026 compared with the third quarter and first nine months of 2025 was primarily driven by increased unrealized losses on our fixed-rate U.S. Treasury security investments designated as AFS in our corporate liquidity portfolio, reflecting increases in interest rates and, for the first nine months of 2026, higher average balances of these investments. Pursuant to our interest rate risk management strategy, we increased our investments in these U.S. Treasury securities during the first nine months of 2026. Rising interest rates in the third quarter of 2026 decreased the fair value of these investments, resulting in unrealized losses recorded in accumulated other comprehensive income (loss). See "Liquidity and Capital Management—Liquidity Management—Corporate Liquidity Portfolio" and "Risk Management—Market Risk Management, including Interest-Rate Risk Management" for additional information. Also see "Note 6, Investments in Securities" for additional information.

Consolidated Balance Sheet Analysis

This section discusses our condensed consolidated balance sheets and should be read together with our condensed consolidated financial statements and the accompanying notes.

Summary of Condensed Consolidated Balance Sheets

	As of		
	September 30, 2026	December 31, 2025	Variance
	(Dollars in millions)		
Assets			
Cash	**$ 10,918**	$ 11,452	$ (534)
Restricted cash	**25,425**	31,131	(5,706)
Securities purchased under agreements to resell	**33,450**	45,650	(12,200)
Investments in securities, at fair value	**100,723**	69,889	30,834
Mortgage loans:			
Of Fannie Mae	**66,945**	58,173	8,772
Of consolidated trusts	**4,049,101**	4,069,504	(20,403)
Allowance for loan losses	**(9,415)**	(8,364)	(1,051)
Mortgage loans, net of allowance for loan losses	**4,106,631**	4,119,313	(12,682)
Deferred tax assets, net	**9,707**	9,828	(121)
Other assets	**31,033**	30,275	758
Total assets	**$ 4,317,887**	$ 4,317,538	$ 349
Liabilities and equity			
Debt:			
Of Fannie Mae	**$ 168,731**	$ 127,289	$ 41,442
Of consolidated trusts	**4,000,518**	4,053,140	(52,622)
Other liabilities	**29,001**	28,097	904
Total liabilities	**4,198,250**	4,208,526	(10,276)
Total stockholders' equity	**119,637**	109,012	10,625
Total liabilities and equity	**$ 4,317,887**	$ 4,317,538	$ 349

Restricted Cash

The decrease in restricted cash from December 31, 2025 to September 30, 2026, was primarily driven by a decrease in prepayments of loans held in consolidated trusts, resulting in lower cash balances held in trusts at period end. For information on our accounting policy for restricted cash, see "Note 1, Summary of Significant Accounting Policies" in our 2025 Form 10-K.

Securities Purchased Under Agreements to Resell

The decrease in securities purchased under agreements to resell from December 31, 2025 to September 30, 2026, was primarily due to maturities, with proceeds reinvested into agency MBS investments held in our retained mortgage portfolio. See "Retained Mortgage Portfolio" for additional information.

Investments in Securities, at Fair Value

The primary driver of the increase in investments in securities, at fair value, from December 31, 2025 to September 30, 2026, was purchases of U.S. Treasury securities held in our corporate liquidity portfolio and agency MBS securities held in our retained mortgage portfolio. See "Note 6, Investments in Securities," "Retained Mortgage Portfolio," and "Liquidity and Capital Management—Liquidity Management—Corporate Liquidity Portfolio" for additional information.

Mortgage Loans, Net of Allowance for Loan Losses

The mortgage loans reported in our condensed consolidated balance sheets are classified as either held for sale ("HFS") or held for investment ("HFI") and include loans owned by Fannie Mae and loans held in consolidated trusts.

The decrease in mortgage loans, net of allowance for loan losses, from December 31, 2025 to September 30, 2026, was primarily driven by loan paydowns and liquidations from our single-family guaranty book of business outpacing acquisitions. This was partially offset by an increase in our multifamily guaranty book of business.

For additional information on our mortgage loans, see “Note 4, Mortgage Loans,” and for additional information on changes in our allowance for loan losses, see “Note 5, Allowance for Credit Losses.”

Debt

The increase in debt of Fannie Mae from December 31, 2025 to September 30, 2026 was primarily driven by long-term debt issuances to support balance sheet growth and to replace debt scheduled to mature. The decrease in debt of consolidated trusts from December 31, 2025 to September 30, 2026 was primarily driven by an increase in Fannie Mae MBS held in our retained mortgage portfolio and liquidations of single-family Fannie Mae MBS outpacing issuances. Purchases of Fannie Mae MBS from consolidated trusts for our retained mortgage portfolio result in the derecognition of related balances in debt of consolidated trusts. See “Liquidity and Capital Management—Liquidity Management—Debt Funding” for a summary of activity in debt of Fannie Mae and information on our outstanding short-term and long-term debt. Also see “Note 8, Short-Term and Long-Term Debt” for additional information on our total outstanding debt.

Stockholders’ Equity

Our stockholders’ equity (also referred to as our net worth) increased to $119.6 billion as of September 30, 2026, compared with $109.0 billion as of December 31, 2025, due to the $10.6 billion in total comprehensive income recognized during the first nine months of 2026. See “Consolidated Results of Operations” for additional information on the activity during the period impacting our total comprehensive income.

Retained Mortgage Portfolio

Our retained mortgage portfolio consists of mortgage loans and mortgage-related securities that we own, including Fannie Mae MBS and non-Fannie Mae mortgage-related securities. It excludes the portion of assets held by consolidated MBS trusts that back securities owned by third parties.

We classify our retained mortgage portfolio into three categories:

- *Agency MBS investments and lender liquidity* consists of agency MBS we have purchased for investment purposes and mortgage-related assets related to our portfolio securitization activities, which provide liquidity to the single-family and multifamily mortgage markets.
- *Loss mitigation* consists of delinquent mortgage loans we purchased from our MBS trusts to support certain loss mitigation efforts.
- *Other* primarily consists of legacy assets that we purchased for investment purposes prior to our entry into conservatorship in 2008.

The following table displays the components of our retained mortgage portfolio, based on UPB. Depending on the nature of the asset, these balances are reported as either mortgage loans or mortgage-related securities in our condensed consolidated balance sheets. For mortgage-related securities, purchases of Fannie Mae MBS for our retained mortgage portfolio result in the derecognition of related balances in debt of consolidated trusts, and therefore remain in "Mortgage loans, net of allowance for loan losses," while purchases of non-Fannie Mae MBS are included in "Investments in securities, at fair value."

Retained Mortgage Portfolio

	As of	
	September 30, 2026	**December 31, 2025**
	(Dollars in millions)	
Agency MBS investments and lender liquidity:		
Agency securities[1]	**$ 108,776**	$ 70,416
Mortgage loans	**12,844**	7,821
Total agency MBS investments and lender liquidity	**121,620**	78,237
Loss mitigation mortgage loans[2]	**54,522**	48,594
Other:		
Reverse mortgage loans and securities[3]	**2,324**	2,709
Other mortgage loans and securities[4]	**1,762**	2,921
Total other	**4,086**	5,630
Total retained mortgage portfolio	**$ 180,228**	$ 132,461
Retained mortgage portfolio by segment:		
Single-family mortgage loans and mortgage-related securities	**$ 162,960**	$ 123,426
Multifamily mortgage loans and mortgage-related securities	**$ 17,268**	$ 9,035

(1) Consists of Fannie Mae, Freddie Mac and Ginnie Mae mortgage-related securities, including Freddie Mac securities guaranteed by Fannie Mae. Excludes Fannie Mae and Ginnie Mae reverse mortgage securities and Fannie Mae-wrapped private-label securities.

(2) Includes single-family loans on nonaccrual status of $14.7 billion and $12.7 billion as of September 30, 2026 and December 31, 2025, respectively. Also includes multifamily loans on nonaccrual status of $3.1 billion and $3.0 billion as of September 30, 2026 and December 31, 2025, respectively.

(3) Includes Fannie Mae and Ginnie Mae reverse mortgage securities.

(4) Other mortgage loans primarily includes single-family loans that are not included in the loss mitigation or agency MBS investments and lender liquidity categories and multifamily loans on accrual status. Other mortgage securities primarily includes private-label securities and mortgage revenue bonds.

The retained mortgage portfolio increased $47.8 billion in the first nine months of 2026 to $180.2 billion as of September 30, 2026. The increase was primarily driven by our acquisition of agency MBS for investment purposes following FHFA's January 2026 increase to our agency MBS investment limit to allow us to further support the secondary mortgage market, while generating viable economic returns. Our agency MBS investments may fluctuate based on market conditions and other purchases for our retained mortgage portfolio, such as purchases of loans from our MBS trusts for loss mitigation purposes and to facilitate lender liquidity, as well as other factors.

The amount of mortgage assets that we may own is capped at $225 billion under the terms of our senior preferred stock purchase agreement with Treasury. We are also subject to specified limitations on the composition of our retained mortgage portfolio pursuant to FHFA guidance, which are described in "MD&A—Retained Mortgage Portfolio" in our 2025 Form 10-K.

For the purpose of complying with the senior preferred stock purchase agreement mortgage assets cap and related FHFA instructions, we include 10% of the notional value of the interest-only securities we hold in calculating the size of the retained mortgage portfolio. As of September 30, 2026, 10% of the notional value of our interest-only securities was $2.6 billion, which is not included in the table above.

Under the terms of our MBS trust documents, we have the option or, in some instances, the obligation, to purchase mortgage loans that meet specific criteria from an MBS trust. FHFA has also provided us with instructions on our single-family delinquent loan buyout policy. The purchase price for these loans is the UPB of the loans plus accrued interest. In support of our loss mitigation strategies, we purchased $11.9 billion of loans from our single-family MBS trusts in the first nine months of 2026, the substantial majority of which were delinquent, compared with $11.7 billion of loans in the first nine months of 2025.

Guaranty Book of Business

When we securitize mortgage loans originated by lenders into Fannie Mae mortgage-backed securities, we issue guarantees, assuming the credit risk for those mortgage loans. Our guaranty book of business offers insight into both the guarantees we've issued and the credit risk of the loans we've acquired that back our MBS outstanding or that are held in our retained mortgage portfolio.

Our "guaranty book of business" consists of: (1) Fannie Mae MBS outstanding, excluding the portions of any structured securities we issue that are backed by Freddie Mac securities, (2) mortgage loans of Fannie Mae held in our retained mortgage portfolio, and (3) other credit enhancements that we provide on mortgage assets. These components are categorized as either conventional or government based on whether the underlying mortgage loans or securities are fully or partially guaranteed or insured by the U.S. government (referred to as "government") or are not fully or partially guaranteed or insured by the U.S. government (referred to as "conventional").

We use the term "Fannie Mae MBS" or "our MBS" to refer to any type of mortgage-backed security that we issue, including Fannie Mae-issued uniform mortgage-backed securities, or "UMBS®," and structured securities such as Supers® and Real Estate Mortgage Investment Conduit securities ("REMICs").

We and Freddie Mac each issue single-family UMBS. In some instances, our MBS are resecuritizations of securities backed in whole or in part by Freddie Mac-issued UMBS, in which case our guaranty extends to the underlying Freddie Mac securities, shown as "Freddie Mac securities guaranteed by Fannie Mae" in the table below. The Freddie Mac securities guaranteed by Fannie Mae are included in "Total Fannie Mae guarantees," but excluded from our "guaranty book of business" because Freddie Mac continues to guarantee the payment of principal and interest on the underlying Freddie Mac securities.

We present our guaranty book of business in this section and in our Monthly Summary reports available on our website based on the UPB of our MBS outstanding. In the "Single-Family Business" and "Multifamily Business" sections, we present our single-family conventional guaranty book of business and our multifamily guaranty book of business based on the UPB of mortgage loans underlying our MBS. The difference between these two measures, which is generally less than 1%, is primarily the result of payments we receive on underlying loans that have not yet been paid to the MBS holders or instances where we have advanced missed borrower payments on mortgage loans to make required distributions to MBS holders. Using these two presentations allows us to base the disclosure in this section and in our Monthly Summary reports on the MBS measurement, and disclosures about the composition of loans in our guaranty book of business on the loan measurement. Information in our Monthly Summary reports is not incorporated by reference into this report.

The table below displays the composition of our guaranty book of business and our total Fannie Mae guarantees based on UPB.

Composition of Fannie Mae Guaranty Book of Business

	As of					
	September 30, 2026			December 31, 2025		
	Single-Family	Multifamily	Total	Single-Family	Multifamily	Total
	(Dollars in millions)					
Conventional guaranty book of business	**$ 3,573,348**	**$ 548,624**	**$ 4,121,972**	$ 3,592,548	$ 537,832	$ 4,130,380
Government guaranty book of business	**4,196**	**430**	**4,626**	4,732	473	5,205
Guaranty book of business	**3,577,544**	**549,054**	**4,126,598**	3,597,280	538,305	4,135,585
Freddie Mac securities guaranteed by Fannie Mae[1]	**173,565**	**—**	**173,565**	184,345	—	184,345
Total Fannie Mae guarantees	**$ 3,751,109**	**$ 549,054**	**$ 4,300,163**	$ 3,781,625	$ 538,305	$ 4,319,930

(1) Represents the UPB of Freddie Mac-issued UMBS backing Fannie Mae-issued Supers and REMICs. Because we do not have the power to direct matters (primarily the servicing of mortgage loans) that impact the credit risk to which we are exposed, which constitute control of these securitization trusts, we do not consolidate these trusts in our condensed consolidated balance sheets, giving rise to off-balance sheet exposure. See "Liquidity and Capital Management—Liquidity Management—Off-Balance Sheet Arrangements" and "Note 7, Financial Guarantees" for more information regarding our maximum exposure to loss on unconsolidated Fannie Mae MBS and Freddie Mac securities.

Business Segment Financial Results

We have two reportable business segments: Single-Family and Multifamily. This section discusses the primary components of net income for our Single-Family Business and Multifamily Business segments. This information complements the discussion of our condensed consolidated financial results in "Consolidated Results of Operations."

Business Segment Financial Results[1]

	For the Three Months Ended September 30,					
	2026		2025		Segment Variance	
	Single-Family	Multifamily	Single-Family	Multifamily	Single-Family	Multifamily
	(Dollars in millions)					
Net interest income[2]	**$ 6,268**	**$ 1,291**	$ 5,992	$ 1,192	$ 276	$ 99
Fee and other income	**68**	**24**	104	19	(36)	5
Net revenues	**6,336**	**1,315**	6,096	1,211	240	104
Fair value gains (losses), net	**658**	**(28)**	(22)	35	680	(63)
Investment gains (losses), net	**92**	**2**	127	(7)	(35)	9
Other gains (losses), net	**750**	**(26)**	105	28	645	(54)
(Provision) benefit for credit losses	**(694)**	**(446)**	(269)	(69)	(425)	(377)
Non-interest expense:						
Administrative expenses[3]	**(630)**	**(154)**	(669)	(150)	39	(4)
Legislative assessments[4]	**(912)**	**(12)**	(929)	(14)	17	2
Credit enhancement expense[5]	**(289)**	**(82)**	(330)	(79)	41	(3)
Other income (expense), net[6]	**(107)**	**63**	(129)	33	22	30
Total non-interest expense	**(1,938)**	**(185)**	(2,057)	(210)	119	25
Income before federal income taxes	**4,454**	**658**	3,875	960	579	(302)
Provision for federal income taxes	**(812)**	**(123)**	(790)	(186)	(22)	63
Net income	**$ 3,642**	**$ 535**	$ 3,085	$ 774	$ 557	$ (239)

	For the Nine Months Ended September 30,					
	2026		2025		Segment Variance	
	Single-Family	Multifamily	Single-Family	Multifamily	Single-Family	Multifamily
	(Dollars in millions)					
Net interest income[2]	**$ 18,494**	**$ 3,756**	$ 17,850	$ 3,490	$ 644	$ 266
Fee and other income	**182**	**64**	238	55	(56)	9
Net revenues	**18,676**	**3,820**	18,088	3,545	588	275
Fair value gains (losses), net	**699**	**(24)**	257	90	442	(114)
Investment gains (losses), net	**(115)**	**(15)**	108	(8)	(223)	(7)
Other gains (losses), net	**584**	**(39)**	365	82	219	(121)
(Provision) benefit for credit losses	**(1,023)**	**(879)**	(1,030)	(278)	7	(601)
Non-interest expense:						
Administrative expenses[3]	**(1,881)**	**(459)**	(2,168)	(490)	287	31
Legislative assessments[4]	**(2,754)**	**(35)**	(2,767)	(46)	13	11
Credit enhancement expense[5]	**(847)**	**(243)**	(1,055)	(233)	208	(10)
Other income (expense), net[6]	**(284)**	**129**	(433)	(7)	149	136
Total non-interest expense	**(5,766)**	**(608)**	(6,423)	(776)	657	168
Income before federal income taxes	**12,471**	**2,294**	11,000	2,573	1,471	(279)
Provision for federal income taxes	**(2,492)**	**(394)**	(2,261)	(475)	(231)	81
Net income	**$ 9,979**	**$ 1,900**	$ 8,739	$ 2,098	$ 1,240	$ (198)

(1) During the third quarter of 2026, we revised our allocation methodology between our Single-Family and Multifamily business segments. See “Note 10, Segment Reporting” for information about our segment allocation methodology.

(2) For single-family, includes net interest income generated by the 10 basis point guaranty fee increase we implemented pursuant to the Temporary Payroll Tax Cut Continuation Act of 2011, and as extended by the Infrastructure Investment and Jobs Act, which is paid to Treasury and not retained by us.

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

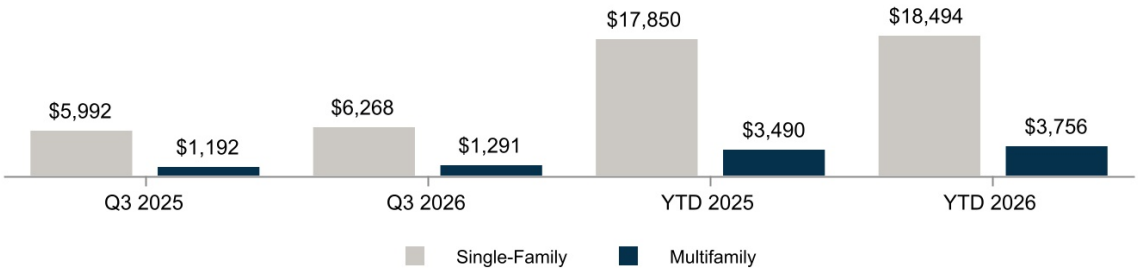
(4) For single-family, consists of the portion of our single-family guaranty fees that is paid to Treasury pursuant to the TCCA, affordable housing allocations and FHFA assessments. For multifamily, consists of affordable housing allocations and FHFA assessments.

(5) Single-family credit enhancement expense consists of costs associated with our freestanding credit enhancements, which primarily include our CAS and CIRT programs, enterprise-paid mortgage insurance programs and certain lender risk-sharing programs. Multifamily credit enhancement expense primarily consists of costs associated with our MCIRT and MCAS programs as well as amortization expense for certain lender risk-sharing programs. Excludes CAS transactions accounted for as debt instruments and credit risk transfer programs accounted for as derivative instruments.

(6) Primarily consists of foreclosed property income (expense), change in the expected benefits from our freestanding credit enhancements and gains (losses) from partnership investments.

We highlight below our segment results for net interest income, fair value gains (losses), net and other income (expense), net. For discussion of our single-family and multifamily (provision) benefit for credit losses, see “Consolidated Results of Operations—(Provision) Benefit for Credit Losses.” Investment gains (losses) and administrative expenses within the Single-Family business represent the substantial majority of our consolidated results. See our “Consolidated Results of Operations” for a discussion of these line items.

Net Interest Income
(Dollars in millions)



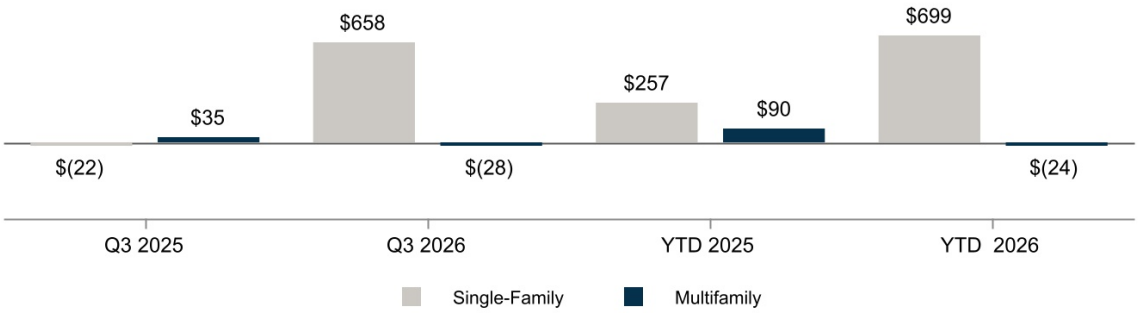
Single-Family

Net interest income increased $276 million in the third quarter of 2026 compared with the third quarter of 2025, and $644 million in the first nine months of 2026 compared with the first nine months of 2025, primarily driven by higher net interest income from portfolios, higher base guaranty fee income and higher net deferred guaranty fee income.

Multifamily

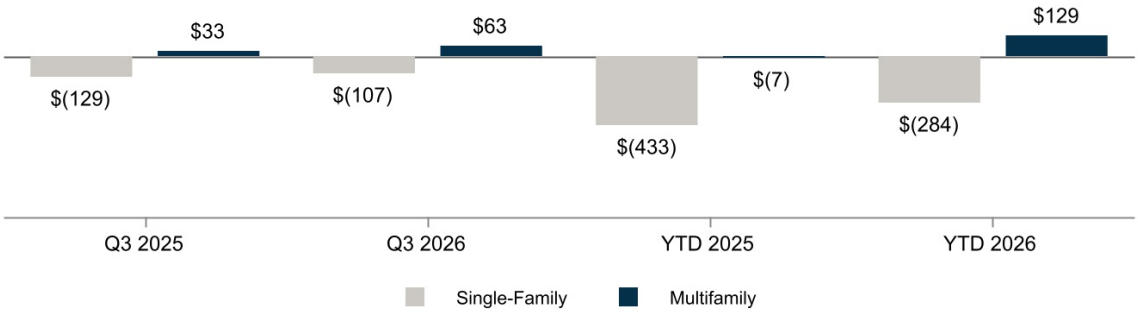
Net interest income increased $99 million in the third quarter of 2026 compared with the third quarter of 2025, and $266 million in the first nine months of 2026 compared with the first nine months of 2025. The increase was primarily driven by higher net interest income from portfolios, reflecting acquisitions of agency MBS. It also reflected higher guaranty fee income resulting from growth in our multifamily guaranty book of business. These increases were partially offset by lower average charged guaranty fees on our multifamily guaranty book of business.

Fair Value Gains (Losses), Net
(Dollars in millions)



Fair value gains (losses), net for the third quarter and first nine months of 2026 were primarily driven by activity within our Single-Family segment. See "Consolidated Results of Operations—Fair Value Gains (Losses), Net" for a discussion of our consolidated fair value gains (losses). See "Note 10, Segment Reporting—Segment Allocations and Results" for information about changes to our segment allocation methodology for fair value gains (losses).

Other Income (Expense), Net
(Dollars in millions)



Single-Family

Other expense, net decreased by $149 million in the first nine months of 2026 compared with the first nine months of 2025, primarily due to a decrease in our foreclosed property expense as a result of lower repair costs and increased gains on sales of foreclosed properties.

Multifamily

We had other income, net of $129 million for the first nine months of 2026, compared with other expense, net of $7 million for the first nine months of 2025. Other income for the first nine months of 2026 was primarily driven by an increase in benefits we expect to receive from our multifamily freestanding credit enhancements resulting from the larger multifamily provision for credit losses in the first nine months of 2026. This increase was partially offset by higher foreclosed property expense driven by weaker property valuations on multifamily real estate owned ("REO") properties.

Single-Family Business

This section supplements and updates information regarding our Single-Family business segment in our 2025 Form 10-K. See "MD&A—Single-Family Business" in our 2025 Form 10-K for additional information regarding the primary business activities, lenders, investors and competition of our Single-Family business.

Single-Family Mortgage Market

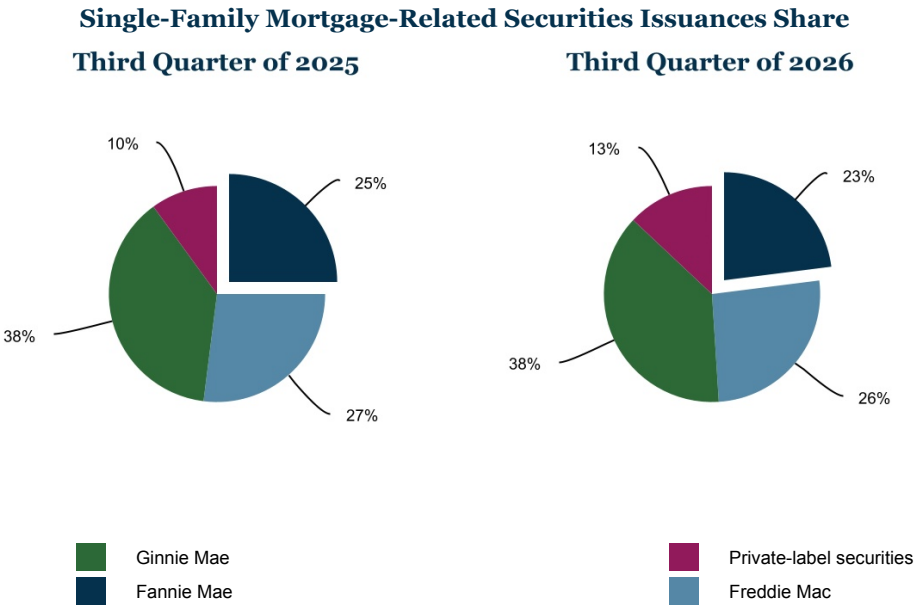
Existing single-family home sales decreased to an average of 3.99 million units annualized in the third quarter of 2026, compared with 4.05 million units annualized in the third quarter of 2025, as reported by the National Association of REALTORS®. According to the U.S. Census Bureau, new single-family home sales averaged 668,000 units annualized in the third quarter of 2026, compared with 687,000 units annualized in the third quarter of 2025.

The U.S. weekly average 30-year fixed mortgage rate was 7.03% as of September 24, 2026, compared with 6.30% as of September 25, 2025, and averaged 6.68% in the third quarter of 2026, compared with 6.57% in the third quarter of 2025, according to Freddie Mac's Primary Mortgage Market Survey®.

Single-family mortgage market originations increased slightly from an estimated $511 billion in the third quarter of 2025 to an estimated $513 billion in the third quarter of 2026. According to the October forecast from our Economic and Strategic Research Group, total originations in the U.S. single-family mortgage market in 2026 are forecasted to increase from 2025 levels by approximately 5%, from an estimated $1.99 trillion in 2025 to $2.09 trillion in 2026, and the amount of refinance originations in the U.S. single-family mortgage market are forecasted to increase from an estimated $578 billion in 2025 to $655 billion in 2026. Our Economic and Strategic Research Group's October forecast is based on data available as of October 12, 2026. See "Key Market Economic Indicators" in our 2025 Form 10-K and this report for additional discussion of how housing activity can affect our financial results and the uncertainties that may affect our forecasts and expectations.

Single-Family Mortgage-Related Securities Issuances Share

Our single-family Fannie Mae MBS issuances were $90.2 billion for the third quarter of 2026, compared with $90.1 billion for the third quarter of 2025. Based on the latest data available, the charts below display our estimated share of single-family mortgage-related securities issuances as compared with that of our primary competitors for the issuance of single-family mortgage-related securities for the periods indicated.



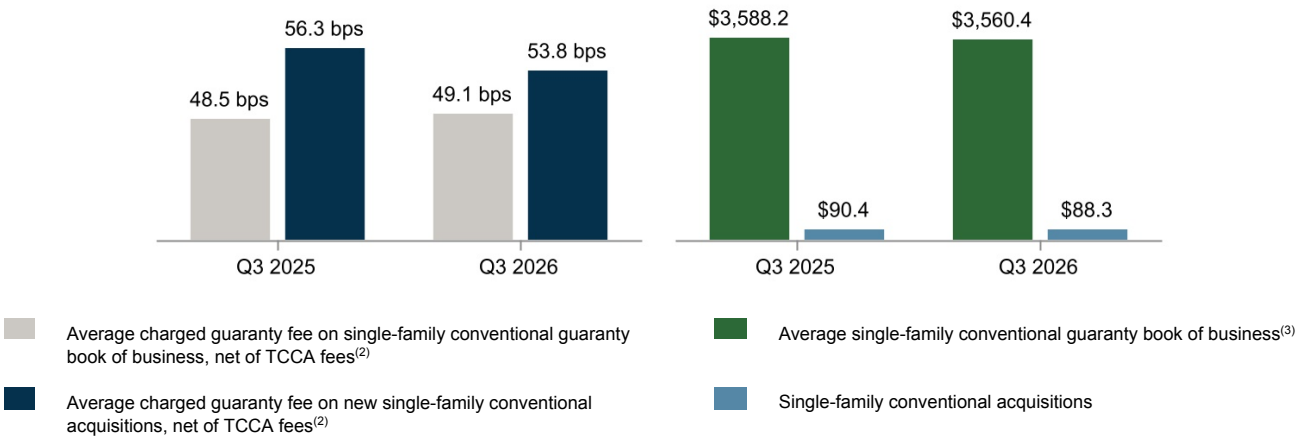
Our market share is influenced by various factors, primarily the pricing of single-family loans and the competitive market environment. When making pricing and acquisition decisions for single-family loans, we must consider a mix of often competing factors, such as competitive market dynamics, our capital requirements, our housing mission requirements and UMBS market liquidity objectives. Balancing these considerations can sometimes create challenges that impact our ability to compete effectively in the marketplace. For a discussion of factors that affect or could affect our business, our competitive environment, demand for our MBS, or the liquidity and market value of our MBS, as well as the risks associated with our conservatorship, our higher capital requirements under the enterprise regulatory capital framework relative to that of our primary competitor driven primarily by our larger share of U.S. residential mortgage debt outstanding, our housing mission requirements, the UMBS market and the performance of our MBS, see "Business—Conservatorship and Treasury Agreements," "Business—Legislation and Regulation," "Risk Factors" and "MD&A—Single-Family Business—Single-Family Competition" in our 2025 Form 10-K.

Single-Family Business Metrics

Select Business Metrics

The charts below display our average charged guaranty fees, net of TCCA fees, on our single-family conventional guaranty book of business and on new single-family conventional loan acquisitions, along with our average single-family conventional guaranty book of business and our single-family conventional loan acquisitions for the periods presented.

Select Single-Family Business Metrics[1]
(Dollars in billions)



(1) For information reported in this "Single-Family Business" section, our single-family conventional guaranty book of business is measured using the UPB of our mortgage loans underlying Fannie Mae MBS outstanding.

(2) Excludes the impact of a 10 basis point ("bps") guaranty fee increase implemented pursuant to the TCCA, the incremental revenue from which is paid to Treasury and not retained by us.

(3) Our single-family conventional guaranty book of business primarily consists of single-family conventional mortgage loans underlying Fannie Mae MBS outstanding. It also includes single-family conventional mortgage loans of Fannie Mae held in our retained mortgage portfolio, and other credit enhancements that we provide on single-family conventional mortgage assets. Our single-family conventional guaranty book of business does not include: (a) mortgage loans guaranteed or insured, in whole or in part, by the U.S. government; (b) Freddie Mac-acquired mortgage loans underlying Freddie Mac-issued UMBS that we have resecuritized; or (c) non-Fannie Mae single-family mortgage-related securities held in our retained mortgage portfolio for which we do not provide a guaranty. Our average single-family conventional guaranty book of business is based on the average of quarter-end balances.

Our single-family conventional loan acquisition volume was relatively flat in the third quarter of 2026 compared to the third quarter of 2025. Housing affordability constraints, limited supply, market competition, and the elevated interest rate environment continued to put pressure on the volume of loans we acquired.

Average charged guaranty fee on newly acquired conventional single-family loans and average charged guaranty fee on the single-family guaranty book of business are metrics management uses to measure the amount we earn as compensation for the credit risk we manage and to assess our return. Average charged guaranty fee represents, on an annualized basis, the average of the base guaranty fees charged during the period for our single-family conventional guaranty arrangements, which we receive monthly over the life of the loan, plus the recognition of any upfront cash payments, including loan-level price adjustments, based on an estimated average life at the time of acquisition.

Our average charged guaranty fee on newly acquired conventional single-family loans, net of TCCA fees, decreased in the third quarter of 2026 compared with the third quarter of 2025, primarily as a result of a shift in the mix and profile of loans we acquired. Our average charged guaranty fee on the single-family guaranty book of business increased in the third quarter of 2026 compared with the third quarter of 2025 as a result of higher average charged fees on our acquisitions for the twelve months ended September 30, 2026 as compared with the loans that liquidated from the book during this period.

Single-Family Mortgage Credit Risk Management

This section updates our discussion of single-family mortgage credit risk management in our 2025 Form 10-K. For additional information on our single-family acquisition and servicing policies, underwriting and servicing standards, quality control process, repurchase requests, and representation and warranty framework, see "MD&A—Single-Family Business—Single-Family Mortgage Credit Risk Management" in our 2025 Form 10-K.

Single-Family Acquisition and Servicing Policies and Underwriting and Servicing Standards

New Credit Score Models and Pricing Change

Fannie Mae uses credit scores to provide a foundation for risk-based pricing and support disclosures to investors. In April 2026, we updated our Selling Guide to allow for two new credit score models—VantageScore® 4.0 and FICO® Score 10T—in addition to the classic FICO® Score from Fair Isaac Corporation that we already use as a credit score model.

In September 2026, we expanded the availability of VantageScore 4.0 to all Fannie Mae-approved lenders for eligible loans, following the initial limited lender rollout beginning in April 2026. VantageScore 4.0 and classic FICO use different credit scoring models, including differences in the credit information considered and how that information is evaluated. As a result, scores generated by the two models may differ and may not be directly comparable.

Effective October 1, 2026, we updated our loan-level price adjustment matrix to apply the same pricing adjustments to loans using either VantageScore 4.0 or classic FICO. The adoption of VantageScore 4.0 and the alignment of loan-level pricing adjustments across credit scoring models could affect the composition and credit characteristics of loans we acquire, as well as lower the amount of guaranty fees we receive on newly acquired loans.

We continue to work on the implementation of FICO Score 10T and plan to make it available at a later date, with advance notice and implementation guidance to come before launch. To support the industry transitioning to the new credit score models, in July 2026 we published on our website historical credit score data for FICO Score 10T and additional credit score data for VantageScore 4.0 for loans acquired during specified periods. Loans originated using VantageScore 4.0 remain subject to existing tri-merge credit report requirements.

Single-Family Guaranty Book Diversification and Monitoring

The following table displays our single-family conventional business volumes and our single-family conventional guaranty book of business, based on certain key risk characteristics that we use to evaluate the risk profile and credit quality of our single-family loans. For a description of the key risk characteristics of our single-family conventional guaranty book of business, see “MD&A—Single-Family Business—Single-Family Mortgage Credit Risk Management—Single-Family Guaranty Book Diversification and Monitoring—Overview” in our 2025 Form 10-K.

We provide additional information on the credit characteristics of our single-family loans in our quarterly earnings presentations and financial supplements, which we furnish to the Securities and Exchange Commission (the “SEC”) with current reports on Form 8-K and make available on our website. Information in our quarterly earnings presentations and financial supplements is not incorporated by reference into this report.

Key Risk Characteristics of Single-Family Conventional Business Volume and Guaranty Book of Business[1]

	Percent of Single-Family Conventional Business Volume at Acquisition[2]				Percent of Single-Family Conventional Guaranty Book of Business[3] As of	
	For the Three Months Ended September 30,		For the Nine Months Ended September 30,			
	2026	2025	2026	2025	September 30, 2026	December 31, 2025
Original LTV ratio:[4]						
<= 60%	**16 %**	17 %	**18 %**	17 %	**23 %**	23 %
60.01% to 70%	**10**	10	**11**	11	**14**	14
70.01% to 80%	**32**	33	**32**	33	**33**	33
80.01% to 90%	**15**	15	**15**	15	**12**	12
90.01% to 95%	**19**	18	**17**	17	**13**	13
95.01% to 100%	**8**	7	**7**	7	**5**	5
Greater than 100%	**—**	—	**—**	—	**—**	—
Total	**100 %**	100 %	**100 %**	100 %	**100 %**	100 %
Weighted average	***78 %***	*77 %*	***77 %***	*77 %*	***74 %***	*74 %*
Average loan amount	**$ 339,254**	$ 336,504	**$ 349,746**	$ 334,654	**$ 212,420**	$ 210,595
Loan count (in thousands)	**260**	268	**853**	713	**16,769**	16,949
Estimated mark-to-market LTV ratio:[5]						
<= 60%					**66 %**	67 %
60.01% to 70%					**11**	11
70.01% to 80%					**11**	11
80.01% to 90%					**7**	7
90.01% to 100%					**5**	4
Greater than 100%					*	*
Total					**100 %**	100 %
Weighted average					***51 %***	*51 %*
Credit score at origination:[6]						
Classic FICO						
< 620	**2 %**	* %	**2 %**	* %	* %	* %
620 to < 660	**2**	4	**3**	3	**3**	3
660 to < 680	**3**	3	**3**	3	**4**	4
680 to < 700	**5**	5	**4**	5	**6**	6
700 to < 740	**16**	18	**16**	18	**19**	19
>= 740	**66**	70	**70**	71	**68**	68
VantageScore 4.0[7]	**6**	N/A	**2**	N/A	*	N/A
Total	**100 %**	100 %	**100 %**	100 %	**100 %**	100 %
Weighted average classic FICO	***755***	*756*	***756***	*756*	***753***	*753*
Debt-to-income ("DTI") ratio at origination:[8]						
<= 43%	**63 %**	62 %	**65 %**	63 %	**72 %**	73 %
43.01% to 45%	**10**	10	**10**	10	**9**	9
Greater than 45%	**27**	28	**25**	27	**19**	18
Total	**100 %**	100 %	**100 %**	100 %	**100 %**	100 %
Weighted average	***38 %***	*38 %*	***38 %***	*38 %*	***36 %***	*36 %*

	Percent of Single-Family Conventional Business Volume at Acquisition[2]				Percent of Single-Family Conventional Guaranty Book of Business[3] As of	
	For the Three Months Ended September 30,		For the Nine Months Ended September 30,			
	2026	2025	2026	2025	September 30, 2026	December 31, 2025
Product type:						
Fixed-rate:[9]						
Long-term	**93** %	93 %	**91** %	93 %	**91** %	90 %
Intermediate-term	**5**	5	**6**	5	**8**	9
Total fixed-rate	**98**	98	**97**	98	**99**	99
Adjustable-rate	**2**	2	**3**	2	**1**	1
Total	**100** %	100 %	**100** %	100 %	**100** %	100 %
Number of property units:						
1 unit	**98** %	97 %	**98** %	97 %	**97** %	97 %
2-4 units	**2**	3	**2**	3	**3**	3
Total	**100** %	100 %	**100** %	100 %	**100** %	100 %
Property type:						
Single-family homes	**93** %	92 %	**92** %	92 %	**91** %	91 %
Condo/Co-op	**7**	8	**8**	8	**9**	9
Total	**100** %	100 %	**100** %	100 %	**100** %	100 %
Occupancy type:						
Primary residence	**96** %	95 %	**96** %	94 %	**92** %	92 %
Second/vacation home	**1**	1	**1**	2	**3**	3
Investor	**3**	4	**3**	4	**5**	5
Total	**100** %	100 %	**100** %	100 %	**100** %	100 %
Loan purpose:						
Purchase	**79** %	80 %	**66** %	78 %	**51** %	50 %
Cash-out refinance	**11**	10	**11**	11	**18**	19
Other refinance	**10**	10	**23**	11	**31**	31
Total	**100** %	100 %	**100** %	100 %	**100** %	100 %
Geographic concentration:[10]						
Midwest	**18** %	18 %	**17** %	17 %	**14** %	14 %
Northeast	**17**	16	**15**	15	**16**	16
Southeast	**26**	25	**26**	25	**23**	23
Southwest	**21**	22	**22**	23	**20**	20
West	**18**	19	**20**	20	**27**	27
Total	**100** %	100 %	**100** %	100 %	**100** %	100 %
Origination year:						
2020 and prior					**37** %	40 %
2021					**25**	26
2022					**11**	12
2023					**5**	6
2024					**7**	8
2025					**8**	8
2026					**7**	—
Total					**100** %	100 %

* Represents less than 0.5% of single-family conventional business volume or guaranty book of business.

(1) Second-lien mortgage loans held by third parties are not reflected in the original LTV or the estimated mark-to-market LTV ratios in this table.

(2) Calculated based on the UPB of single-family loans for each category at time of acquisition.

(3) Calculated based on the aggregate UPB of single-family loans for each category divided by the aggregate UPB of loans in our single-family conventional guaranty book of business as of the end of each period.

(4) The original LTV ratio generally is based on the original UPB of the loan divided by the appraised property value reported to us at the time of acquisition of the loan. Excludes loans for which this information is not readily available.

(5) The aggregate estimated mark-to-market LTV ratio is based on the UPB of the loan as of the end of each reported period divided by the estimated current value of the property, which we calculate using an internal valuation model that is used in our home price forecast to estimate periodic changes in home value. Excludes loans for which this information is not readily available.

(6) Credit score at origination is presented based on the score used for loan pricing and eligibility at the time of loan delivery. Excludes loans for which either classic FICO or VantageScore 4.0 credit scores were unavailable, which represented less than 0.5% of single-family conventional business volume or guaranty book of business.

(7) Credit score distributions are not presented for VantageScore 4.0 loans because such loans represented only 6% of acquisitions for the third quarter of 2026 and 2% of acquisitions for the first nine months of 2026. We did not acquire any loans using VantageScore 4.0 credit scores in 2025.

(8) Excludes loans for which this information is not readily available.

(9) Long-term fixed-rate consists of mortgage loans with maturities greater than 15 years, while intermediate-term fixed-rate loans have maturities equal to or less than 15 years.

(10) Midwest consists of IL, IN, IA, MI, MN, NE, ND, OH, SD and WI. Northeast consists of CT, DE, ME, MA, NH, NJ, NY, PA, PR, RI, VT and VI. Southeast consists of AL, DC, FL, GA, KY, MD, MS, NC, SC, TN, VA and WV. Southwest consists of AZ, AR, CO, KS, LA, MO, NM, OK, TX and UT. West consists of AK, CA, GU, HI, ID, MT, NV, OR, WA and WY.

The percentage of loans we acquired with FICO credit scores less than 620 increased to 2% of our single-family loan acquisitions in the third quarter of 2026, from less than 0.5% of our third quarter 2025 single-family loan acquisitions, due to our removal of the 620 minimum FICO credit score requirement for loans submitted to Desktop Underwriter® (DU®) effective in November 2025; the 620 minimum credit score requirement was replaced with a minimum credit risk standard based on the credit risk factor evaluation within the DU credit risk assessment.

For a discussion of factors that may impact the volume and credit characteristics of loans we acquire in the future, see “MD&A—Single-Family Business—Single-Family Mortgage Credit Risk Management—Single-Family Guaranty Book Diversification and Monitoring” in our 2025 Form 10-K. In this section of our 2025 Form 10-K, we also provide more information on the credit characteristics of loans in our single-family conventional guaranty book of business, including high-balance loans and adjustable-rate mortgages.

Single-Family Problem Loan Management

Overview

Our problem loan management strategies focus primarily on reducing defaults to avoid losses that would otherwise occur and pursuing foreclosure alternatives to mitigate the severity of the losses we incur. See “MD&A—Single-Family Business—Single-Family Mortgage Credit Risk Management—Single-Family Problem Loan Management” in our 2025 Form 10-K for a discussion of delinquency statistics on our problem loans, efforts undertaken to manage our problem loans, metrics regarding our loan workout activities, REO management and other single-family credit-related information. The discussion below updates some of that information. We also provide ongoing credit performance information on loans underlying single-family Fannie Mae MBS and loans covered by single-family credit risk transfer transactions. For loans backing Fannie Mae MBS, see the “Forbearance and Delinquency Dashboard” available in the MBS section of our Data Dynamics® tool, which is available at www.fanniemae.com/datadynamics. For loans covered by credit risk transfer transactions, see the “Deal Performance Data” report available in the Connecticut Avenue Securities® (“CAS”) and Credit Insurance Risk Transfer™ (“CIRT™”) sections of the tool. Information on our website is not incorporated into this report. Information in Data Dynamics may differ from similar measures presented in our financial statements and other public disclosures for a variety of reasons, including as a result of variations in the loan population covered, timing differences in reporting and other factors.

Single-Family Credit Enhancement and Transfer of Mortgage Credit Risk

Our charter generally requires credit enhancement on any single-family conventional mortgage loan that we purchase or securitize if it has an LTV ratio over 80% at the time of acquisition. We generally achieve this through primary mortgage insurance. We also enter into various other types of transactions in which we transfer mortgage credit risk to third parties. For a discussion of our exposure to and management of the counterparty credit risk associated with the providers of these credit enhancements, see “MD&A—Risk Management—Institutional Counterparty Credit Risk Management,” “Note 14, Concentrations of Credit Risk” and “Risk Factors—Credit Risk” in our 2025 Form 10-K.

The table below displays information about loans in our single-family conventional guaranty book of business covered by one or more forms of credit enhancement, including mortgage insurance or a credit risk transfer transaction. The risk in force of our back-end single-family credit risk transfer transactions, which refers to the maximum amount of losses that could be absorbed by credit risk transfer investors, was approximately $37 billion as of September 30, 2026, compared with approximately $39 billion as of December 31, 2025. Our mortgage insurance risk in force, which refers to our maximum potential loss recovery under the applicable mortgage insurance policies in force, was approximately $203 billion as of September 30, 2026, compared with approximately $201 billion as of December 31, 2025.

Single-Family Loans with Credit Enhancement

	As of			
	September 30, 2026		December 31, 2025	
	UPB	Percentage of Single-Family Conventional Guaranty Book of Business	UPB	Percentage of Single-Family Conventional Guaranty Book of Business
	(Dollars in billions)			
Primary mortgage insurance	**$ 759**	**21 %**	$ 756	21 %
Connecticut Avenue Securities	**829**	**23**	859	24
Credit Insurance Risk Transfer	**417**	**12**	418	12
Other	**24**	**1**	28	1
Less: Loans covered by multiple credit enhancements	**(402)**	**(11)**	(398)	(11)
Total single-family loans with credit enhancement	**$ 1,627**	**46 %**	$ 1,663	47 %

See “MD&A—Single-Family Business—Single-Family Credit Enhancement and Transfer of Mortgage Credit Risk" in our 2025 Form 10-K for information about our single-family loans without credit enhancements.

Transfer of Mortgage Credit Risk

In addition to primary mortgage insurance, our Single-Family business has developed other risk-sharing capabilities to transfer portions of our single-family mortgage credit risk to the private market. Our two primary single-family credit risk transfer programs are CAS and CIRT™. For a description of our single-family credit risk transfer transactions, see "MD&A—Single-Family Business—Single-Family Mortgage Credit Risk Management—Single-Family Credit Enhancement and Transfer of Mortgage Credit Risk" in our 2025 Form 10-K.

In the first nine months of 2026, we transferred a portion of the mortgage credit risk on single-family mortgage loans with a UPB of $127.5 billion at the time of the transactions.

We provide a portion of the guaranty fee to investors in our credit risk transfer transactions as compensation for their taking on a share of the credit risk of the related loans. We record the substantial majority of expenses related to our credit risk transfer transactions in “Credit enhancement expense” within our condensed consolidated statements of operations and comprehensive income.

Delinquency

The tables below display the delinquency status of loans and changes in the volume of seriously delinquent loans in our single-family conventional guaranty book of business based on the number of loans. Single-family seriously delinquent loans are loans that are 90 days or more past due or in the foreclosure process. Our single-family serious delinquency rate is expressed as a percentage of our single-family conventional guaranty book of business based on loan count. Management monitors the single-family serious delinquency rate as an indicator of potential future credit losses and loss mitigation activities. Serious delinquency rates are reflective of our performance in assessing and managing credit risk associated with single-family loans in our guaranty book of business. A higher serious delinquency rate may result in a higher allowance for loan losses. For information on our single-family serious delinquency rate based on UPB, see "Note 11, Concentrations of Credit Risk—Risk Characteristics of our Guaranty Book of Business—Single-Family Credit Risk Characteristics."

Delinquency Status and Activity of Single-Family Conventional Loans

	As of		
	September 30, 2026	**December 31, 2025**	**September 30, 2025**
Delinquency status:			
30 to 59 days delinquent	**1.09 %**	1.05 %	1.00 %
60 to 89 days delinquent	**0.30**	0.30	0.27
Seriously delinquent (“SDQ”):	**0.62**	0.58	0.54
Percentage of SDQ loans that have been delinquent for more than 180 days	**45**	43	45
Percentage of SDQ loans that have been delinquent for more than two years	**5**	4	5

	For the Nine Months Ended September 30,	
	2026	**2025**
Single-family SDQ loans (number of loans):		
Beginning balance	**97,885**	97,129
Additions	**148,909**	135,778
Removals:		
Modifications and other loan workouts	**(56,480)**	(60,234)
Liquidations and sales	**(22,690)**	(32,986)
Cured or less than 90 days delinquent	**(64,369)**	(47,761)
Total removals	**(143,539)**	(140,981)
Ending balance	**103,255**	91,926

While our single-family serious delinquency rate remained near historically low levels at 0.62% as of September 30, 2026, it increased by 4 basis points from December 31, 2025, and by 8 basis points from September 30, 2025, primarily driven by higher additions to the seriously delinquent loan population. We believe these additions were driven in part by adverse macroeconomic conditions, such as higher interest rates and persistent inflation, which can strain household budgets, particularly for lower income borrowers. These and other macroeconomic conditions, such as expected slower home price growth, could further negatively affect the credit performance of loans in our single-family guaranty book of business, potentially resulting in higher delinquencies or a further increase in our single-family serious delinquency rate. For information about factors that affect our single-family serious delinquency rate, see “MD&A—Single-Family Business—Single-Family Mortgage Credit Risk Management—Single-Family Problem Loan Management” in our 2025 Form 10-K. See “Note 11, Concentrations of Credit Risk” and the table below for additional information on the delinquency status and serious delinquency rates for specified loan categories of our single-family conventional guaranty book of business.

The table below displays the serious delinquency rates for, and the percentage of our seriously delinquent single-family conventional loans represented by, the specified loan categories.

Single-Family Conventional Seriously Delinquent Loan Concentration Analysis

	As of								
	September 30, 2026			December 31, 2025			September 30, 2025		
	Percentage of Book Outstanding[1]	Percentage of Seriously Delinquent Loans[2]	Serious Delinquency Rate	Percentage of Book Outstanding[1]	Percentage of Seriously Delinquent Loans[2]	Serious Delinquency Rate	Percentage of Book Outstanding[1]	Percentage of Seriously Delinquent Loans[2]	Serious Delinquency Rate
States:									
California	**18 %**	**10 %**	**0.47 %**	18 %	10 %	0.44 %	18 %	9 %	0.43 %
Florida	**6**	**10**	**0.91**	6	10	0.85	6	10	0.81
Illinois	**3**	**5**	**0.73**	3	5	0.73	3	5	0.68
New York	**4**	**5**	**0.82**	4	5	0.78	4	6	0.75
Texas	**8**	**10**	**0.78**	8	10	0.74	8	10	0.68
All other states	**61**	**60**	**0.58**	61	60	0.54	61	60	0.50
Estimated mark-to-market LTV ratio:									
<= 60%	**66**	**62**	**0.49**	67	64	0.47	68	66	0.45
60.01% to 70%	**11**	**13**	**1.04**	11	14	0.98	11	14	0.92
70.01% to 80%	**11**	**11**	**0.92**	11	10	0.88	10	10	0.81
80.01% to 90%	**7**	**8**	**1.13**	7	7	1.03	7	7	0.94
90.01% to 100%	**5**	**5**	**1.16**	4	4	0.98	4	3	0.87
Greater than 100%	*	**1**	**4.39**	*	1	3.46	*	*	3.46
Credit enhanced:[3]									
Primary MI & other[4]	**21**	**35**	**1.36**	21	35	1.26	21	35	1.16
Credit risk transfer[5]	**36**	**31**	**0.68**	37	32	0.63	37	32	0.57
Non-credit enhanced	**54**	**49**	**0.47**	53	48	0.45	53	49	0.42

* Represents less than 0.5% of single-family conventional guaranty book of business.

(1) Percentage of book amounts represent the UPB of loans for each category divided by the UPB of our total single-family conventional guaranty book of business.

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

(3) The credit-enhanced categories are not mutually exclusive. A loan with primary mortgage insurance that is also covered by a credit risk transfer transaction will be included in both the “Primary MI & other” category and the “Credit risk transfer” category. As a result, the “Credit enhanced” and “Non-credit enhanced” categories do not sum to 100%. The total percentage of our single-family conventional guaranty book of business with some form of credit enhancement as of September 30, 2026 was 46%.

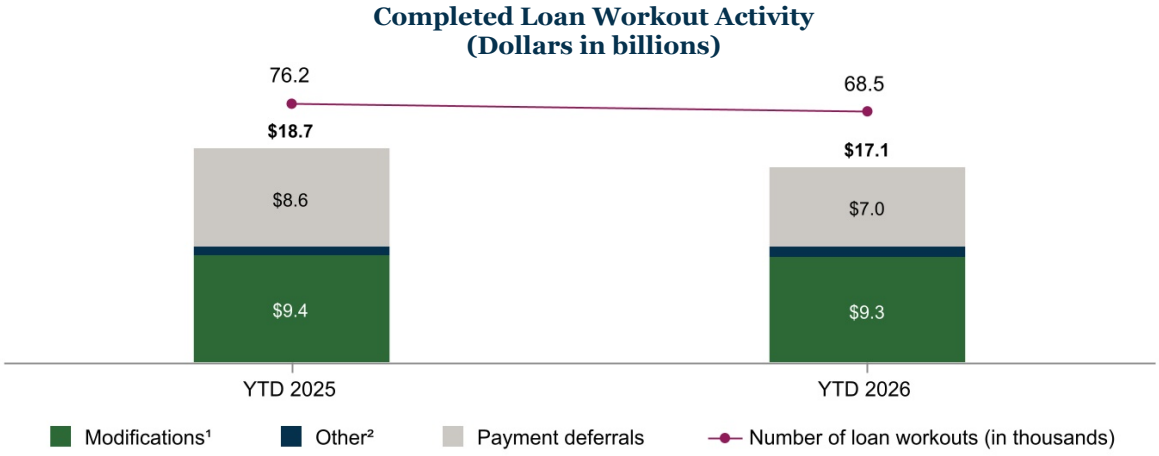
(4) Refers to loans included in an agreement used to reduce credit risk by requiring primary mortgage insurance, collateral, letters of credit, corporate guarantees, or other agreements to provide an entity with some assurance that it will be compensated to some degree in the event of a financial loss.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

(5) Refers to loans included in reference pools for credit risk transfer transactions, including loans in these transactions that are also covered by primary mortgage insurance. For CAS and some lender risk-sharing transactions, this represents the outstanding UPB of the underlying loans on the single-family mortgage credit book, not the outstanding reference pool, as of the specified date.

Forbearance Plans and Loan Workouts

As a part of our credit risk management efforts, we offer several types of loss mitigation options to help homeowners stay in their home or to otherwise avoid foreclosure. Loss mitigation options can consist of a forbearance plan or a loan workout. Our loan workouts reflect additional types of home retention solutions that help reinstate loans to current status, including repayment plans, payment deferrals, and loan modifications. Our loan workouts also include foreclosure alternatives, such as short sales and deeds-in-lieu of foreclosure.

The chart below displays the UPB of our completed single-family loan workouts by type, as well as the number of loan workouts. This table does not include loans in an active forbearance arrangement, trial modifications, and repayment plans that have been initiated but not completed. As of September 30, 2026, the UPB of single-family loans in forbearance was $6.3 billion, compared with $7.5 billion as of December 31, 2025.



(1) Excludes approximately 21,100 loans and 22,300 loans in a trial modification period that was not yet complete as of September 30, 2026 and 2025, respectively.

(2) Other was $776 million and $714 million for the first nine months of 2026 and the first nine months of 2025, respectively. Other includes repayment plans and foreclosure alternatives. Repayment plans reflect only those plans associated with loans that were 60 days or more delinquent at the execution of the plan.

Single-Family REO Management

If a loan defaults, we may acquire the property through foreclosure or a deed-in-lieu of foreclosure. The table below displays our REO activity by region. Regional REO acquisition trends generally follow a pattern that is similar to, but lags, that of regional delinquency trends.

Single-Family REO Properties

	For the Nine Months Ended September 30,	
	2026	**2025**
Single-family REO properties (number of properties):		
Beginning of period inventory of single-family REO properties[1]	**4,519**	5,895
Acquisitions by geographic area:[2]		
Midwest	**859**	517
Northeast	**301**	252
Southeast	**997**	556
Southwest	**1,081**	556
West	**511**	268
Total REO acquisitions[1]	**3,749**	2,149
Dispositions of REO	**(2,793)**	(3,548)
End of period inventory of single-family REO properties[1]	**5,475**	4,496
Carrying value of single-family REO properties (dollars in millions)	**$ 1,103**	$ 831
Single-family foreclosure rate[3]	**0.03 %**	0.02 %
REO net sales price to UPB[4]	**107 %**	140 %
REO net sales price to UPB and costs to repair[5]	**82 %**	82 %
Short sales net sales price to UPB[6]	**81 %**	84 %

(1) Consists of held-for sale and held-for-use properties, which are reported in our condensed consolidated balance sheets as a component of "Other assets."

(2) See footnote 10 to the "Key Risk Characteristics of Single-Family Conventional Business Volume and Guaranty Book of Business" table for states included in each geographic region.

(3) Estimated based on the annualized total number of properties acquired through foreclosure or deeds-in-lieu of foreclosure as a percentage of the total number of loans in our single-family conventional guaranty book of business as of the end of each period.

(4) Calculated as the amount of sale proceeds received on disposition of REO properties during the respective periods, excluding those subject to repurchase requests made to our sellers or servicers, divided by the aggregate UPB of the related loans at the time of foreclosure. Net sales price represents the contract sales price less selling costs for the property and other charges paid by the seller at closing, and excludes the costs associated with any property repairs.

(5) Calculated as the amount of sale proceeds received on disposition of REO properties during the respective periods, excluding those subject to repurchase requests made to our sellers or servicers, divided by the aggregate UPB of the related loans at the time of foreclosure and costs to repair the property. Net sales price represents the contract sales price less selling costs for the property and other charges paid by the seller at closing.

(6) Calculated as the amount of sale proceeds received on properties sold in short sale transactions during the respective periods divided by the aggregate UPB of the related loans. Net sales price includes borrower relocation incentive payments and subordinate lien(s) negotiated payoffs.

The increase in single-family REO properties in the first nine months of 2026 compared with the first nine months of 2025 was primarily driven by higher REO acquisitions during the period. Foreclosure activity continued to rise from the unusually low levels seen during the pandemic. In addition, a smaller share of foreclosed properties were sold to third parties. Because properties sold to third parties at foreclosure do not enter our REO inventory, this also contributed to the increase in REO acquisitions.

Our REO net sales price to UPB, excluding costs to repair, declined to 107% for the first nine months of 2026 compared to 140% for the first nine months of 2025, primarily driven by REO properties with higher LTV ratios at foreclosure, resulting in a higher average UPB of the loan relative to the sales price of the REO.

Single-Family Credit Loss Performance Metrics and Loan Sale Performance

The single-family credit loss performance metrics and loan sale performance measures below present information about losses or gains we realized on our single-family loans during the periods presented. For the purposes of our single-family credit loss performance metrics, credit losses or gains represent write-offs net of recoveries on our credit loss reserves as well as foreclosed property income or expense. Our credit loss reserves consists of our allowance for loan losses, accrued interest receivable and our guaranty loss reserves. The amount of these losses or gains in a given period is driven by foreclosures, pre-foreclosure sales, post-foreclosure REO activity, mortgage loan redesignations, and other events that trigger write-offs and recoveries. The single-family credit loss metrics we present are not defined terms and may not be calculated in the same manner as similarly titled measures reported by other companies. Management uses these measures to evaluate the effectiveness of our single-family credit risk management strategies in conjunction with leading indicators such as serious delinquency and forbearance rates, which are potential indicators of future realized single-family credit losses. We believe these measures provide useful information about our single-family credit performance and the factors that impact it.

The table below displays the components of our single-family credit loss performance metrics. Because sales of nonperforming and reperforming loans are a part of our credit loss mitigation strategy, we also provide information in the table below on our loan sale performance through the "Gains (losses) on sales and other valuation adjustments" line item.

Single-Family Credit Loss Performance Metrics and Loan Sale Performance

	For the Three Months Ended September 30,		For the Nine Months Ended September 30,	
	2026	2025	2026	2025
	(Dollars in millions)			
Write-offs, excluding write-offs on redesignation of mortgage loans from HFI to HFS	**$ (167)**	$ (143)	**$ (450)**	$ (407)
Recoveries	**66**	48	**174**	134
Foreclosed property income (expense)	**(36)**	(43)	**(99)**	(198)
Credit gains (losses)	**(137)**	(138)	**(375)**	(471)
Write-offs on the redesignation of mortgage loans from HFI to HFS[1]	**(14)**	(97)	**(96)**	(187)
Net credit gains (losses) and write-offs on redesignations	**(151)**	(235)	**(471)**	(658)
Gains (losses) on sales and other valuation adjustments[2]	**(4)**	(2)	**(5)**	(14)
Net credit gains (losses), write-offs on redesignations and gains (losses) on sales and other valuation adjustments	**$ (155)**	$ (237)	**$ (476)**	$ (672)
Credit gain (loss) ratio (in bps)[3]	**(1.5)**	(1.5)	**(1.4)**	(1.7)
Net credit gains (losses), write-offs on redesignations and gains (losses) on sales and other valuation adjustments ratio (in bps)[4]	**(1.7)**	(2.6)	**(1.8)**	(2.5)

(1) Consists of the lower of cost or fair value adjustment at time of redesignation.

(2) Consists of gains or losses realized on the sales of nonperforming and reperforming mortgage loans during the period and temporary lower of cost or market adjustments on HFS loans, which are recognized in "Investment gains (losses), net" in our condensed consolidated statements of operations and comprehensive income.

(3) Calculated based on the annualized amount of "Credit gains (losses)" divided by the average single-family conventional guaranty book of business during the period.

(4) Calculated based on the annualized amount of "Net credit gains (losses), write-offs on redesignations and gains (losses) on sales and other valuation adjustments" divided by the average single-family conventional guaranty book of business during the period.

The decrease in our single-family net credit losses, write-offs on redesignations and losses on sales and other valuation adjustments in the third quarter of 2026 compared with the third quarter of 2025 was primarily driven by fewer mortgage loan redesignations from HFI to HFS.

The decrease in our single-family net credit losses, write-offs on redesignations and losses on sales and other valuation adjustments in the first nine months of 2026 compared with the first nine months of 2025 was primarily driven by lower foreclosed property expenses due to reduced repair costs, reduced losses on third-party sales and increased gains on sales of foreclosed properties, as well as fewer redesignations from HFI to HFS.

Multifamily Business

This section supplements and updates information regarding our Multifamily business segment in our 2025 Form 10-K. See "MD&A—Multifamily Business" in our 2025 Form 10-K for additional information regarding the primary business activities, lenders, investors and competition of our Multifamily business.

Multifamily Mortgage Market

The following market indicators provide information about conditions in the multifamily mortgage market on a national basis:

- The national multifamily vacancy rate for institutional investment-type apartment properties remained elevated as of September 30, 2026 at 6.7%, compared with 6.8% as of June 30, 2026, and 6.6% as of September 30, 2025, based on data from Moody's Analytics. The estimated average national multifamily vacancy rate over the last 15 years was approximately 5.0%.
- Effective rents increased 0.3% during the third quarter of 2026, following an increase of 0.9% during the second quarter of 2026 and in contrast to the decrease of 0.1% during the third quarter of 2025, based on Moody's Analytics data.
- Multifamily property values declined as of September 30, 2026 compared to December 31, 2025. See "Critical Accounting Estimates" for the forecasted multifamily property value growth rates used in determining our multifamily allowance for loan losses for the quarter ended September 30, 2026.
- New multifamily rental units were delivered to the U.S. housing market year-to-date through August 2026 at a level higher than the past 10-year average; these deliveries are expected to slow by the end of 2027.

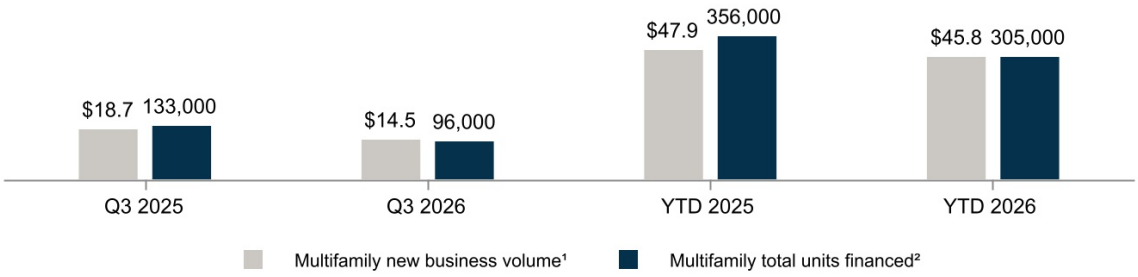
Vacancy rates and rents are important to loan performance because multifamily loans are generally repaid from the cash flows generated by the underlying property. Property value is important to credit quality because when a multifamily loan matures, a borrower may be required to make up any value shortfalls if the value estimate has declined below the UPB of the loan and the borrower needs new financing for the property. A borrower may default on a loan if the UPB of the loan is significantly higher than the current property value.

Multifamily Business Metrics

Multifamily New Business Volume

The chart below displays our multifamily loan acquisitions by UPB and total number of units financed.

Multifamily New Business Volume
(Dollars in billions)



(1) Reflects UPB of new multifamily loans securitized or purchased as well as credit enhancements provided during the period. These figures will not agree to Fannie Mae MBS issued during the period, as Fannie Mae MBS issued also include portfolio securitizations and certain conversions that result in a new Fannie Mae MBS issuance without a newly created loan and exclude bond or mortgage loan credit enhancements.

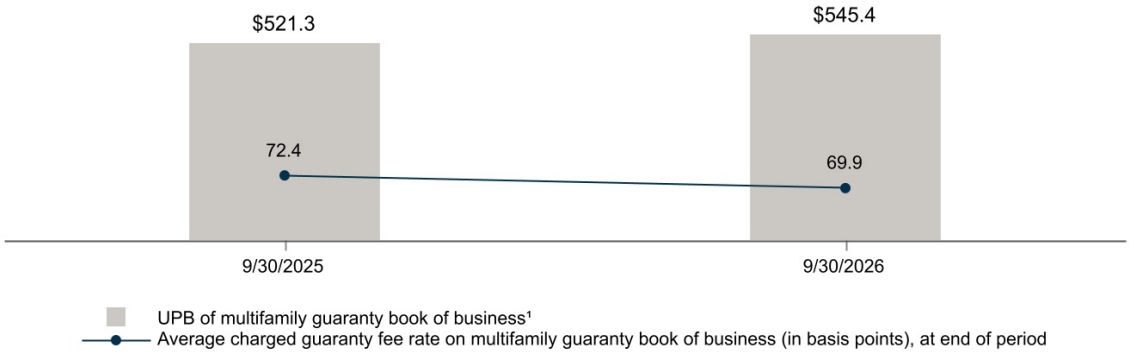
(2) Reflects newly acquired units financed by first liens and excludes manufactured housing rentals.

For 2026, FHFA has capped our multifamily loan purchases at $88 billion. FHFA has exempted from the volume cap loans financing workforce housing properties meeting specified criteria that preserve long-term affordability for the properties.

Multifamily Guaranty Book of Business and Average Charged Guaranty Fee

The chart below displays the UPB and average charged guaranty fee related to our multifamily guaranty book of business.

Multifamily Guaranty Book of Business and Charged Fee
(Dollars in billions)



(1) Our multifamily guaranty book of business primarily consists of multifamily mortgage loans underlying Fannie Mae MBS outstanding, multifamily mortgage loans of Fannie Mae held in our retained mortgage portfolio, and other credit enhancements that we provide on multifamily mortgage assets. It does not include non-Fannie Mae multifamily mortgage-related securities held in our retained mortgage portfolio for which we do not provide a guaranty.

The average charged guaranty fee on our multifamily guaranty book of business decreased 2.5 bps as of September 30, 2026 compared with September 30, 2025, due to lower average charged fees on our acquisitions for the twelve months ended September 30, 2026 compared with the existing loans in our multifamily guaranty book of business. For additional information regarding our average charged guaranty fee, see “MD&A—Multifamily Business—Multifamily Business Metrics—Multifamily Guaranty Book of Business and Average Charged Guaranty Fee” in our 2025 Form 10-K.

Multifamily Mortgage Credit Risk Management

This section supplements and updates our discussion of multifamily mortgage credit risk management in our 2025 Form 10-K in “MD&A—Multifamily Business—Multifamily Mortgage Credit Risk Management.” For additional information on the primary components of our strategy for managing multifamily credit risk, the factors that influence the credit risk profile of our multifamily guaranty book of business, our multifamily underwriting standards, our multifamily guaranty book diversification and monitoring, and our transfer of multifamily mortgage credit risk, as well as our reliance on representations from lenders and servicers regarding the accuracy of credit information on loans in our guaranty book of business, see the discussion in our 2025 Form 10-K.

Multifamily Guaranty Book Diversification and Monitoring

The following table displays our multifamily business volumes and our multifamily guaranty book of business, based on certain key risk characteristics that we use to evaluate the risk profile and credit quality of our multifamily loans. For additional information on our multifamily guaranty book diversification and monitoring, see “MD&A—Multifamily Business—Multifamily Mortgage Credit Risk Management—Multifamily Guaranty Book Diversification and Monitoring” in our 2025 Form 10-K.

We provide additional information on the credit characteristics of our multifamily loans in our quarterly earnings presentations and financial supplements, which we furnish to the SEC with current reports on Form 8-K and make available on our website. Information in our quarterly earnings presentations and financial supplements is not incorporated by reference into this report.

Key Risk Characteristics of Multifamily Business Volume and Guaranty Book of Business

	Multifamily Business Volume at Acquisition[1]				Multifamily Guaranty Book of Business[2] As of	
	For the Three Months Ended September 30,		For the Nine Months Ended September 30,			
	2026	2025	2026	2025	September 30, 2026	December 31, 2025
LTV ratio:						
Weighted-average original LTV ratio	**62 %**	64 %	**62 %**	62 %	**63 %**	63 %
Debt Service Coverage Ratio ("DSCR"):						
Weighted-average DSCR[3]	**1.6**	1.6	**1.7**	1.6	**1.9**	1.9
Current DSCR below 1.0[3]	**N/A**	N/A	**N/A**	N/A	**5 %**	4 %
Loan amount and count:						
Average loan amount (in millions)	**$ 24**	$ 22	**$ 24**	$ 21	**$ 18**	$ 17
Loan count	**613**	848	**1,930**	2,320	**30,462**	30,593
Interest rate type:						
Fixed-rate	**91 %**	99 %	**96 %**	99 %	**95 %**	95 %
Adjustable-rate	**9**	1	**4**	1	**5**	5
Total	**100 %**	100 %	**100 %**	100 %	**100 %**	100 %
Amortization type:						
Full interest-only	**67 %**	68 %	**68 %**	63 %	**51 %**	48 %
Partial interest-only[4]	**24**	27	**25**	29	**40**	42
Fully amortizing	**9**	5	**7**	8	**9**	10
Total	**100 %**	100 %	**100 %**	100 %	**100 %**	100 %
Asset class type:						
Conventional/co-op	**89 %**	96 %	**93 %**	95 %	**92 %**	91 %
Seniors housing	**2**	*	**1**	1	**2**	2
Student housing	**5**	1	**2**	1	**2**	2
Manufactured housing	**4**	3	**4**	3	**4**	5
Total	**100 %**	100 %	**100 %**	100 %	**100 %**	100 %
Affordable[5]	**15 %**	11 %	**15 %**	13 %	**12 %**	12 %
Small balance loans (based on loan count)[6]	**30 %**	34 %	**33 %**	34 %	**44 %**	45 %
Geographic concentration:[7]						
Midwest	**11 %**	12 %	**11 %**	13 %	**12 %**	12 %
Northeast	**11**	15	**18**	18	**16**	15
Southeast	**27**	28	**24**	27	**27**	28
Southwest	**19**	21	**19**	20	**21**	22
West	**32**	24	**28**	22	**24**	23
Total	**100 %**	100 %	**100 %**	100 %	**100 %**	100 %

* Represents less than 0.5% of multifamily business volume or guaranty book of business.

(1) Calculated based on the UPB of multifamily loans for each category divided by the aggregate UPB at time of acquisition, excluding small balance loans which is calculated based on loan count rather than UPB.

(2) Calculated based on the aggregate UPB of multifamily loans for each category divided by the aggregate UPB of loans in our multifamily guaranty book of business as of the end of each period, excluding small balance loans which is calculated based on loan count rather than UPB.

(3) For our business volumes, the DSCR is calculated using the actual debt service payments for the loan. For our book of business, our estimates of current DSCRs are based on the latest available income information, including the related debt service covering a 12-month period, from quarterly and annual statements for these properties. When an annual statement is the latest statement available, it is used. When operating statement information is not available, the underwritten DSCR is used. Co-op loans are excluded from this metric.

(4) Consists of mortgage loans that were underwritten with an interest-only term, regardless of whether the loan is currently in its interest-only period.

(5) Represents Multifamily Affordable Housing ("MAH") loans, which are defined as financing for properties that are under an agreement that provides long-term affordability, such as properties with rent subsidies or income restrictions. MAH loans are included within the asset class categories referenced above.

(6) Small balance loans refer to multifamily loans with an original UPB of up to $9 million. Small balance loans are included within the asset class categories referenced above. We present this metric in the table based on loan count rather than UPB. Small balance loans comprised 9% and 10% of our multifamily guaranty book of business as of September 30, 2026 and December 31, 2025, respectively, based on UPB of the loans.

(7) Midwest consists of IL, IN, IA, MI, MN, NE, ND, OH, SD and WI. Northeast consists of CT, DE, ME, MA, NH, NJ, NY, PA, PR, RI, VT and VI. Southeast consists of AL, DC, FL, GA, KY, MD, MS, NC, SC, TN, VA and WV. Southwest consists of AZ, AR, CO, KS, LA, MO, NM, OK, TX and UT. West consists of AK, CA, GU, HI, ID, MT, NV, OR, WA and WY.

Multifamily Transfer of Mortgage Credit Risk

Front-End Credit Risk Sharing

We primarily transfer credit risk on the multifamily loans we guarantee through our Delegated Underwriting and Servicing ("DUS®") program, which delegates to DUS lenders the ability to underwrite and service multifamily loans, in accordance with our standards and requirements. Loans serviced by DUS lenders and their affiliates represented substantially all of our multifamily guaranty book of business as of September 30, 2026 and December 31, 2025. See "MD&A—Multifamily Business—Multifamily Mortgage Credit Risk Management—Multifamily Transfer of Mortgage Credit Risk" in our 2025 Form 10-K for a description of our DUS program.

Back-End Credit Risk Sharing

To complement our DUS front-end lender-risk sharing program, we also engage in back-end credit risk transfer transactions through our Multifamily CIRT™ ("MCIRT™") and Multifamily Connecticut Avenue Securities® ("MCAS™") programs. Our back-end MCIRT and MCAS credit risk transfer programs transfer a portion of the credit risk associated with a reference pool of multifamily mortgage loans to insurers, reinsurers, or investors. During the first nine months of 2026, we entered into two new multifamily credit risk transfer transactions through our MCIRT and MCAS programs.

The table below displays the total UPB of multifamily loans and the percentage of our multifamily guaranty book of business, based on UPB, that is covered by a back-end credit risk transfer transaction. The table does not reflect front-end lender risk-sharing arrangements, as only a small portion of our multifamily guaranty book of business is not covered by these arrangements.

Multifamily Loans in Back-End Credit Risk Transfer Transactions

	As of			
	September 30, 2026		December 31, 2025	
	UPB	Percentage of Multifamily Guaranty Book of Business	UPB	Percentage of Multifamily Guaranty Book of Business
	(Dollars in millions)			
MCIRT	**$ 115,238**	**21 %**	$ 105,740	20 %
MCAS	**85,126**	**16**	67,040	12
Total	**$ 200,364**	**37 %**	$ 172,780	32 %

Multifamily Problem Loan Management

Credit Performance Statistics on Multifamily Problem Loans

The percentage of loans in our multifamily guaranty book of business that were criticized was 6% as of both September 30, 2026 and December 31, 2025. The criticized loans category substantially consists of loans classified as “Substandard” and also includes loans classified as “Special Mention” or “Doubtful.” Substandard loans are loans that have a well-defined weakness that jeopardizes the timely full repayment. While the majority of the substandard loans in our multifamily guaranty book of business are currently making timely payments, we continue to monitor the performance of our substandard loan population. For more information on our credit quality indicators, including our population of substandard loans, see “Note 4, Mortgage Loans.”

Our multifamily serious delinquency rate decreased to 0.62% as of September 30, 2026, compared with 0.74% as of December 31, 2025, primarily as a result of a modification in the second quarter of 2026 of a loan portfolio previously in forbearance, as well as foreclosure activity, partially offset by additional loans that became seriously delinquent due to sustained market challenges in recent periods. Although this loan modification and foreclosure activity resulted in a decrease in our multifamily serious delinquency rate, ongoing market challenges are expected to result in additional delinquencies. Our multifamily serious delinquency rate consists of multifamily loans that were 60 days or more past due based on UPB, expressed as a percentage of our multifamily guaranty book of business.

Management monitors the multifamily serious delinquency rate as an indicator of potential future credit losses and loss mitigation activities. Serious delinquency rates are reflective of our performance in assessing and managing credit risk associated with multifamily loans in our guaranty book of business. A higher serious delinquency rate may result in a higher allowance for loan losses. The percentage of loans in our multifamily guaranty book of business that were 180 days or more delinquent was 0.41% as of September 30, 2026, compared with 0.56% as of December 31, 2025.

In addition to the credit performance information on our multifamily loans provided in this report, we provide additional information about the performance of our multifamily loans that back MBS and whole loan REMICs in the “Data Collections” section of our DUS Disclose® tool, available at www.fanniemae.com/dusdisclose. Information on our website is not incorporated into this report. Information in Data Collections may differ from similar measures presented in our financial statements and other public disclosures for a variety of reasons, including as a result of variations in the loan population covered, timing differences in reporting and other factors.

Multifamily REO Management

As of September 30, 2026, we held 226 multifamily REO properties with a carrying value of $1.7 billion, compared with 181 properties with a carrying value of $1.0 billion as of December 31, 2025, as a result of increased foreclosure activity. The increase in foreclosure activity was primarily driven by recent periods of elevated delinquencies, which we expect to continue to drive elevated foreclosure activity. The foreclosure timeline may vary by region and by property.

Multifamily Credit Loss Performance Metrics

The amount of multifamily credit losses or gains we realize in a given period is driven by foreclosures, pre-foreclosure sales, post-foreclosure REO activity and other events that trigger write-offs and recoveries. Our multifamily credit loss performance metrics are not defined terms and may not be calculated in the same manner as similarly titled measures reported by other companies. For the purposes of our multifamily credit loss performance metrics, credit losses or gains represent write-offs net of recoveries on our credit loss reserves as well as foreclosed property income or expense. Our credit loss reserves consists of our allowance for loan losses, accrued interest receivable and our guaranty loss reserves. We believe our multifamily credit losses, and our multifamily credit losses net of freestanding loss-sharing arrangements, provide useful information about our multifamily credit performance because they display our multifamily credit losses in the context of our multifamily guaranty book of business, including changes to the benefit we expect to receive from loss-sharing arrangements. Management views multifamily credit losses, net of freestanding loss-sharing arrangements, as a key metric related to our multifamily business model and our strategy to share multifamily credit risk.

The table below displays the components of our multifamily credit loss performance metrics, as well as our multifamily initial write-off severity rate and write-off loan count.

Multifamily Credit Loss Performance Metrics

	For the Three Months Ended September 30,		For the Nine Months Ended September 30,	
	2026	2025	2026	2025
	(Dollars in millions)			
Write-offs[1]	**$ (160)**	$ (167)	**$ (604)**	$ (350)
Recoveries	**40**	25	**139**	86
Foreclosed property income (expense)	**(103)**	(19)	**(227)**	(109)
Credit gains (losses)	**(223)**	(161)	**(692)**	(373)
Change in expected benefits from freestanding loss-sharing arrangements[2]	**79**	60	**182**	125
Credit gains (losses), net of freestanding loss-sharing arrangements	**$ (144)**	$ (101)	**$ (510)**	$ (248)
Credit gain (loss) ratio (in bps)[3]	**(16.4)**	(12.5)	**(17.0)**	(9.8)
Credit gain (loss) ratio, net of freestanding loss-sharing arrangements (in bps)[2][3]	**(10.6)**	(7.8)	**(12.6)**	(6.5)
Multifamily initial write-off severity rate on liquidated loans[4]	**11.8 %**	22.2 %	**16.1 %**	26.0 %
Multifamily write-off loan count on liquidated loans[5]	**25**	23	**92**	55

(1) Represents write-offs at a liquidation event, which includes a foreclosure, a deed-in-lieu of foreclosure or a short-sale, as well as write-offs prior to a liquidation event. Write-offs associated with non-REO sales are net of loss sharing.

(2) Represents changes to the benefit we expect to receive only from write-offs as a result of certain freestanding loss-sharing arrangements, primarily multifamily DUS lender risk-sharing transactions. Changes to the expected benefits we will receive are recorded in "Other income (expense), net" in our condensed consolidated statements of operations and comprehensive income.

(3) Calculated based on the annualized amount of "Credit gains (losses)" and "Credit gains (losses), net of freestanding loss-sharing arrangements," divided by the average multifamily guaranty book of business during the period.

(4) Rate is calculated as the initial write-off amount divided by the UPB of the loans written off and is based on write-offs associated with a liquidation event. The rate excludes any costs, gains or losses associated with REO after initial acquisition through final disposition. The rate also excludes write-offs when a loan is determined to be uncollectible prior to a liquidation event. Write-offs are net of lender loss-sharing agreements.

(5) Represents the number of loans that experienced write-offs associated with a liquidation event during the period.

Our multifamily credit losses increased in the third quarter of 2026 compared with the third quarter of 2025 due to higher foreclosed property expense. Our multifamily credit losses increased in the first nine months of 2026 compared with the first nine months of 2025 due to increased write-offs and higher foreclosed property expense. The increased write-offs in the first nine months of 2026 were primarily driven by weaker property valuations and losses on loans that became seriously delinquent during the period. The higher foreclosed property expense in both the third quarter and first nine months of 2026 was primarily driven by weaker valuations on multifamily REO properties.

Consolidated Credit Ratios and Select Credit Information

The table below displays select credit ratios on our single-family conventional guaranty book of business and our multifamily guaranty book of business, as well as the inputs used in calculating these ratios. For purposes of calculating our consolidated credit ratios and the credit loss reserves and write-offs, net of recoveries, the ratios are inclusive of our allowance for loan losses, allowance for accrued interest receivable, and reserve for guaranty losses. These amounts exclude reserves for advances of pre-foreclosure costs and the allowance for AFS securities.

Consolidated Credit Ratios and Select Credit Information

	As of					
	September 30, 2026			December 31, 2025		
	Single-Family	Multifamily	Consolidated Total	Single-Family	Multifamily	Consolidated Total
	(Dollars in millions)					
Credit loss reserves as a percentage of:						
Guaranty book of business	**0.19 %**	**0.50 %**	**0.23 %**	0.17 %	0.43 %	0.20 %
Nonaccrual loans at amortized cost	**22.98**	**89.40**	**29.29**	22.03	70.02	27.19
Nonaccrual loans as a percentage of:						
Guaranty book of business	**0.82 %**	**0.56 %**	**0.79 %**	0.77 %	0.62 %	0.75 %
Select financial information used in calculating credit ratios:						
Credit loss reserves	**$ (6,701)**	**$ (2,733)**	**$ (9,434)**	$ (6,066)	$ (2,319)	$ (8,385)
Guaranty book of business[1]	**3,556,851**	**545,442**	**4,102,293**	3,569,324	534,715	4,104,039
Nonaccrual loans at amortized cost	**29,156**	**3,057**	**32,213**	27,532	3,312	30,844

(1) Guaranty book of business is as of period end. For single-family, represents the conventional guaranty book of business.

Our credit loss reserves increased as of September 30, 2026 compared with December 31, 2025 primarily as a result of a provision for credit losses, which increased our allowance for loan losses, as we describe in “Consolidated Results of Operations—(Provision) Benefit for Credit Losses.”

Consolidated Write-off Ratio and Select Credit Information

	For the Three Months Ended September 30,					
	2026			2025		
	Single-Family	Multifamily	Total	Single-Family	Multifamily	Total
	(Dollars in millions)					
Select credit ratio:						
Write-offs, net of recoveries annualized, as a percentage of the average guaranty book of business (in bps)	**1.3**	**8.8**	**2.3**	2.1	11.0	3.3
Select financial information used in calculating credit ratio:						
Write-offs[1]	**$ 181**	**$ 160**	**$ 341**	$ 240	$ 167	$ 407
Recoveries	**(66)**	**(40)**	**(106)**	(48)	(25)	(73)
Write-offs, net of recoveries	**$ 115**	**$ 120**	**$ 235**	$ 192	$ 142	$ 334
Average guaranty book of business[2]	**$ 3,560,409**	**$ 545,001**	**$ 4,105,410**	$ 3,588,198	$ 516,045	$ 4,104,243

	For the Nine Months Ended September 30,					
	2026			2025		
	Single-Family	Multifamily	Total	Single-Family	Multifamily	Total
	(Dollars in millions)					
Select credit ratio:						
Write-offs, net of recoveries annualized, as a percentage of the average guaranty book of business (in bps)	**1.4**	**11.4**	**2.7**	1.7	6.9	2.3
Select financial information used in calculating credit ratio:						
Write-offs[1]	**$ 546**	**$ 604**	**$ 1,150**	$ 594	$ 350	$ 944
Recoveries	**(174)**	**(139)**	**(313)**	(134)	(86)	(220)
Write-offs, net of recoveries	**$ 372**	**$ 465**	**$ 837**	$ 460	$ 264	$ 724
Average guaranty book of business[2]	**$ 3,562,322**	**$ 541,799**	**$ 4,104,121**	$ 3,599,040	$ 509,068	$ 4,108,108

(1) Represents write-offs when a loan is determined to be uncollectible. For single-family, also includes any write-offs upon the redesignation of mortgage loans from HFI to HFS.

(2) Average guaranty book of business is based on the average of quarter-end balances. For single-family, represents the conventional guaranty book of business.

Liquidity and Capital Management

Liquidity Management

This section supplements and updates information regarding liquidity management in our 2025 Form 10-K. See “MD&A—Liquidity and Capital Management—Liquidity Management” in our 2025 Form 10-K for additional information, including discussions of our primary sources and uses of funds, our liquidity risk management practices and contingency planning, our liquidity requirements, factors that influence our debt funding activity, factors that may impact our access to or the cost of our debt funding and factors that could adversely affect our liquidity and funding. As of September 30, 2026, we were in compliance with all four components of the liquidity requirements outlined in our 2025 Form 10-K. Also see “Risk Factors—Liquidity Risk” in our 2025 Form 10-K for a discussion of liquidity risks.

Debt Funding

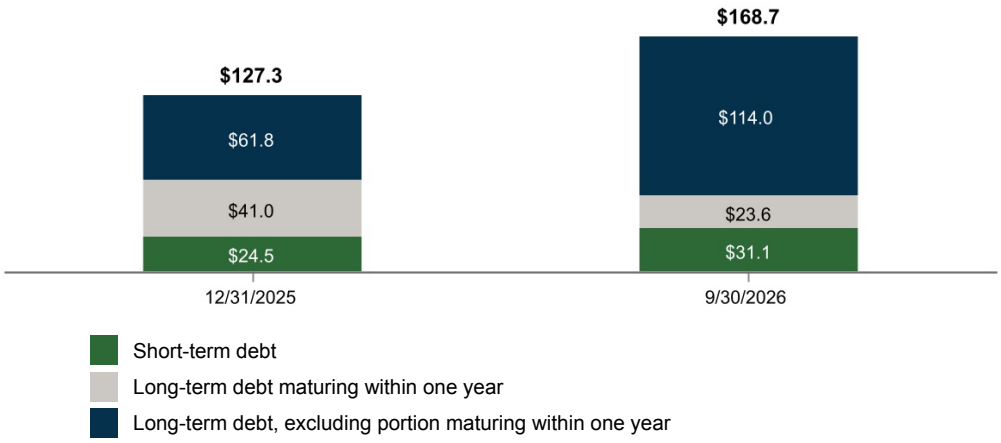
The UPB of our aggregate indebtedness was $171.7 billion as of September 30, 2026. Pursuant to the terms of the senior preferred stock purchase agreement with Treasury, we are prohibited from issuing debt without the prior consent

of Treasury if it would result in our aggregate indebtedness exceeding our outstanding debt limit, which is set to $270 billion. The calculation of our indebtedness for purposes of complying with our debt limit reflects the UPB and excludes debt basis adjustments and debt of consolidated trusts.

Outstanding Debt

The following chart and table display information on our outstanding short-term and long-term debt (excluding debt of consolidated trusts) based on original contractual maturity. Our outstanding debt increased as we increased long-term debt issuances during the first nine months of 2026 primarily to support balance sheet growth and to replace debt scheduled to mature.

Debt of Fannie Mae[(1)]
(Dollars in billions)



(1) Outstanding debt balance consists of the UPB, premiums and discounts, fair value adjustments, hedge-related basis adjustments and other cost basis adjustments. Reported amounts include net discount unamortized cost basis adjustments and fair value adjustments of $3.0 billion and $2.6 billion as of September 30, 2026 and December 31, 2025, respectively.

Selected Debt Information

	As of	
	September 30, 2026	December 31, 2025
Selected Weighted-Average Interest Rates[(1)]	(Dollars in billions)	
Interest rate on short-term debt	**3.88 %**	3.66 %
Interest rate on long-term debt, including portion maturing within one year	**4.06**	3.89
Interest rate on callable debt	**3.81**	3.45
Selected Maturity Data		
Weighted-average maturity of debt maturing within one year (in days)	**86**	189
Weighted-average maturity of debt maturing in more than one year (in months)	**36**	49
Other Data		
Outstanding callable debt[(2)]	**$ 61.8**	$ 35.4

(1) Excludes the effects of fair value adjustments and hedge-related basis adjustments.

(2) Includes short-term callable debt of $1.5 billion and $40 million as of September 30, 2026 and December 31, 2025, respectively.

We intend to repay our short-term and long-term debt obligations as they become due primarily through the issuance of additional debt securities, cash from business operations, and proceeds from the maturity or sale of assets in our corporate liquidity portfolio.

For information on the maturity profile of our outstanding long-term debt, see “Note 8, Short-Term and Long-Term Debt” in this report and in our 2025 Form 10-K.

Debt Funding Activity

The table below displays activity in debt of Fannie Mae. This activity excludes the debt of consolidated trusts and intraday borrowing. The reported amounts of debt issued and paid off during each period represent the face amount of the debt at issuance and redemption.

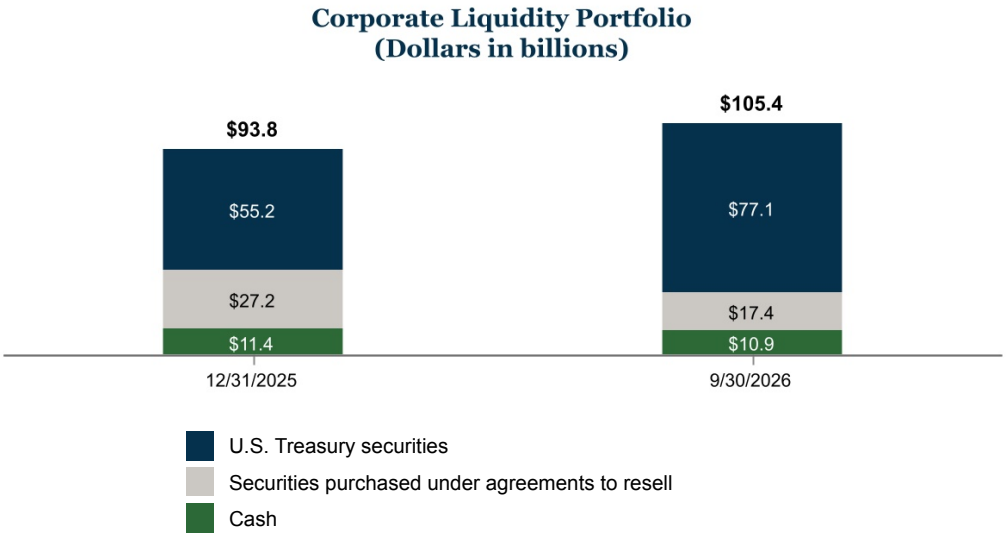
Activity in Debt of Fannie Mae

	For the Three Months Ended September 30,		For the Nine Months Ended September 30,	
	2026	2025	2026	2025
Issued during the period:	(Dollars in millions)			
Short-term:				
Amount	**$ 83,465**	$ 103,018	**$ 230,849**	$ 280,878
Weighted-average interest rate	**3.69 %**	4.20 %	**3.64 %**	4.23 %
Long-term:				
Amount	**$ 6,677**	$ 8,344	**$ 65,730**	$ 18,667
Weighted-average interest rate	**4.55 %**	3.91 %	**3.96 %**	4.35 %
Total issued:				
Amount	**$ 90,142**	$ 111,362	**$ 296,579**	$ 299,545
Weighted-average interest rate	**3.76 %**	4.18 %	**3.71 %**	4.24 %
Paid off during the period:[1]				
Short-term:				
Amount	**$ 79,931**	$ 94,149	**$ 224,152**	$ 272,097
Weighted-average interest rate	**3.49 %**	4.00 %	**3.63 %**	4.13 %
Long-term:				
Amount	**$ 16,595**	$ 19,280	**$ 30,631**	$ 41,384
Weighted-average interest rate	**3.54 %**	2.00 %	**3.69 %**	2.25 %
Total paid off:				
Amount	**$ 96,526**	$ 113,429	**$ 254,783**	$ 313,481
Weighted-average interest rate	**3.50 %**	3.66 %	**3.64 %**	3.88 %

[1] Consists of all payments on debt, including regularly scheduled principal payments, payments at maturity, payments resulting from calls and payments for any other repurchases. Repurchases of debt and early retirements of zero-coupon debt are reported at original face value, which does not equal the amount of actual cash payment.

Corporate Liquidity Portfolio

The chart below displays information on the composition of our corporate liquidity portfolio. The balance and composition of our corporate liquidity portfolio fluctuates as a result of factors such as changes in our cash flows, liquidity in the fixed-income markets, our investment strategy, and our liquidity risk management framework and practices. Our corporate liquidity portfolio increased in the first nine months of 2026, driven by purchases of U.S. Treasury securities, supported by additional liquidity from higher debt issuances.



Off-Balance Sheet Arrangements

We enter into certain business arrangements to facilitate our statutory purpose of providing liquidity to the secondary mortgage market and to reduce our exposure to interest rate fluctuations. Some of these arrangements are not recorded in our condensed consolidated balance sheets or may be recorded in amounts different from the full contract or notional amount of the transaction, depending on the nature or structure of, and the accounting required to be applied to, the arrangement. These arrangements are commonly referred to as "off-balance sheet arrangements" and expose us to potential losses in excess of the amounts recorded in our condensed consolidated balance sheets.

Our off-balance sheet arrangements result primarily from the following:

- our guaranty of mortgage loan securitization and resecuritization transactions over which we have no control, which are reflected in our unconsolidated Fannie Mae MBS net of any beneficial ownership interest we retain, and other financial guarantees that we do not control;
- liquidity support transactions; and
- partnership interests.

The total amount of our off-balance sheet exposure related to unconsolidated Fannie Mae MBS net of any beneficial interest that we retain, and other financial guarantees was $184.7 billion as of September 30, 2026 and $195.7 billion as of December 31, 2025. The majority of the other financial guarantees consists of Freddie Mac securities backing Fannie Mae structured securities. See "Guaranty Book of Business" and "Note 7, Financial Guarantees" for more information regarding our maximum exposure to loss on unconsolidated Fannie Mae MBS and Freddie Mac securities.

Our total outstanding liquidity commitments to advance funds for securities backed by multifamily housing revenue bonds totaled $3.3 billion as of September 30, 2026 and $3.6 billion as of December 31, 2025. These commitments require us to advance funds to third parties that enable them to repurchase tendered bonds or securities that are unable to be remarketed.

We have investments in various limited partnerships and similar legal entities, which consist of Low Income Housing Tax Credit ("LIHTC") investments, community investments and investments in other entities. When we do not have a controlling financial interest in those entities, our condensed consolidated balance sheets reflect only our investment rather than the full amount of the partnership's assets and liabilities. See "Note 3, Consolidations and Transfers of Financial Assets—Unconsolidated VIEs" for information regarding our investments in limited partnerships and similar legal entities.

Cash Flows

Nine Months Ended September 30, 2026. Cash and restricted cash decreased from $42.6 billion as of December 31, 2025 to $36.3 billion as of September 30, 2026. The decrease was primarily driven by cash outflows from (1) payments on outstanding debt of consolidated trusts and the purchase of Fannie Mae MBS from third parties, (2) purchases of loans acquired as held for investment, (3) advances to lenders, (4) repayments of Fannie Mae debt and short-term borrowings, and (5) purchases of available-for-sale securities.

Partially offsetting these cash outflows were cash inflows primarily from (1) proceeds from repayments of loans, (2) the sale of Fannie Mae MBS to third parties, (3) proceeds from issuance of debt of Fannie Mae, (4) maturity of investments in securities purchased under agreements to resell, and (5) proceeds from sales of available-for-sale securities.

Nine Months Ended September 30, 2025. Cash and restricted cash increased from $38.5 billion as of December 31, 2024 to $39.4 billion as of September 30, 2025. The increase was primarily driven by cash inflows from (1) proceeds from repayments of loans, (2) the sale of Fannie Mae MBS to third parties, (3) proceeds from issuance of debt of Fannie Mae, and (4) proceeds from the disposition of acquired property and insurance proceeds.

Largely offsetting these cash inflows were cash outflows primarily from (1) payments on outstanding debt of Fannie Mae and consolidated trusts (2) purchases of loans acquired as held for investment, (3) advances to lenders, and (4) purchases of securities purchased under agreements to resell.

Credit Ratings

As of September 30, 2026, our credit ratings issued by the three major credit rating agencies have not changed since December 31, 2025. For information on these credit ratings, see “MD&A—Liquidity and Capital Management—Liquidity Management—Credit Ratings” in our 2025 Form 10-K.

Capital Management

Capital Requirements

For a description of our capital requirements under the enterprise regulatory capital framework, see “Business—Legislation and Regulation—Capital Requirements” in our 2025 Form 10-K. The enterprise regulatory capital framework went into effect in February 2021; however, we are not required to hold capital according to the framework’s requirements until the date of termination of our conservatorship, or such later date as may be ordered by FHFA.

The table below sets forth information about our capital requirements under the standardized approach of the enterprise regulatory capital framework. As of September 30, 2026, we had a deficit in available capital for purposes of our risk-based adjusted total capital requirement under the enterprise regulatory capital framework even though we had positive net worth under U.S. generally accepted accounting principles (“GAAP”) of $119.6 billion primarily because the $120.8 billion stated value of the senior preferred stock does not qualify as regulatory capital. Our deficit in available capital for purposes of our risk-based adjusted total capital requirement declined from $22 billion as of December 31, 2025 to $11 billion as of September 30, 2026.

As of September 30, 2026, we had a $205 billion shortfall to our risk-based adjusted total capital requirement including buffers, and a $173 billion shortfall to our common equity tier 1 (“CET1”) capital requirement including buffers. From December 31, 2025 to September 30, 2026, our risk-based adjusted total capital shortfall including buffers declined by $10 billion, driven by a $10.6 billion increase in stockholders’ equity that more than offset a $1 billion increase in our risk-based adjusted total capital requirement during the first nine months of 2026.

The increase in our risk-based adjusted total capital requirement was primarily driven by the impact of higher risk-weighted assets, which was substantially offset by a $3 billion decline in the stability capital buffer. The increase in risk-weighted assets during the first nine months of 2026 was largely driven by market risk associated with the increase in retained mortgage portfolio assets and loans we acquired during the period that carried higher credit risk-weights compared to seasoned loans that liquidated, as well as less relief from credit risk transfer transactions. Under the enterprise regulatory capital framework, we are required to hold capital associated with the market risk of the mortgage assets held in our retained mortgage portfolio. As a result, increases in the amount of agency MBS we hold in our retained mortgage portfolio generally result in an increase in the amount of market risk capital we are required to hold. Our stability capital buffer decreased as a result of us having a lower total share of U.S. residential mortgage debt outstanding in 2025 than in 2024, which is used to determine the 2026 buffer under the enterprise regulatory capital framework.

Capital Metrics under the Enterprise Regulatory Capital Framework as of September 30, 2026[1]

		(Dollars in billions)	
		Stress capital buffer	$ 33
		Stability capital buffer	44
Adjusted total assets	$ 4,419	Countercyclical capital buffer	—
Risk-weighted assets	1,467	Prescribed capital conservation buffer amount	$ 77

	Minimum Capital Ratio Requirement	Minimum Capital Requirement	Available Capital (Deficit)	Capital Shortfall (without Buffers)[2]	Applicable Buffers[3]	Total Capital Requirement (with Buffers)	Capital Shortfall (with Buffers)[2]
Risk-based capital:							
Total capital (statutory)[4]	8.0 %	$ 117	$ 10	$ (107)	N/A	$ 117	$ (107)
Common equity tier 1 capital	4.5	66	(30)	(96)	$ 77	143	(173)
Tier 1 capital	6.0	88	(11)	(99)	77	165	(176)
Adjusted total capital	8.0	117	(11)	(128)	77	194	(205)
Leverage capital:							
Core capital (statutory)[5]	2.5	110	*	(110)	N/A	110	(110)
Tier 1 capital	2.5	110	(11)	(121)	22	132	(143)

Capital Metrics under the Enterprise Regulatory Capital Framework as of December 31, 2025[1]

		(Dollars in billions)	
		Stress capital buffer	$ 33
		Stability capital buffer	47
Adjusted total assets	$ 4,423	Countercyclical capital buffer	—
Risk-weighted assets	1,411	Prescribed capital conservation buffer amount	$ 80

	Minimum Capital Ratio Requirement	Minimum Capital Requirement	Available Capital (Deficit)	Capital Shortfall (without Buffers)[2]	Applicable Buffers[3]	Total Capital Requirement (with Buffers)	Capital Shortfall (with Buffers)[2]
Risk-based capital:							
Total capital (statutory)[4]	8.0 %	$ 113	$ (3)	$ (116)	N/A	$ 113	$ (116)
Common equity tier 1 capital	4.5	63	(41)	(104)	$ 80	143	(184)
Tier 1 capital	6.0	85	(22)	(107)	80	165	(187)
Adjusted total capital	8.0	113	(22)	(135)	80	193	(215)
Leverage capital:							
Core capital (statutory)[5]	2.5	111	(12)	(123)	N/A	111	(123)
Tier 1 capital	2.5	111	(22)	(133)	23	134	(156)

* Represents amounts less than $500 million.

(1) Ratios are calculated as a percentage of risk-weighted assets for risk-based capital metrics and as a percentage of adjusted total assets for leverage capital metrics.

(2) The capital shortfall in these columns represents the difference between the applicable capital requirement (without or with buffers, as applicable) and the available capital (deficit).

(3) Prescribed capital conservation buffer amount, or PCCBA, for risk-based capital and prescribed leverage buffer amount, or PLBA, for leverage capital.

(4) The sum of (a) core capital (see definition in footnote 5 below); and (b) a general allowance for foreclosure losses.

(5) The sum of (a) the stated value of our outstanding common stock (common stock less treasury stock); (b) the stated value of our outstanding perpetual, noncumulative preferred stock; (c) our paid-in capital; and (d) our retained earnings (accumulated deficit).

While it is not applicable until the date of termination of our conservatorship, our maximum payout ratio represents the percentage of eligible retained income that we are permitted to pay out in the form of distributions or discretionary bonus payments under the enterprise regulatory capital framework. As of September 30, 2026, our maximum payout ratio under the enterprise regulatory capital framework was 0%. See "Note 15, Regulatory Capital Requirements" for information on our capital ratios as of September 30, 2026 and December 31, 2025 under the enterprise regulatory capital framework.

The table below presents certain components of our regulatory capital.

Regulatory Capital Components

	As of	
	September 30, 2026	**December 31, 2025**
	(Dollars in millions)	
Total equity	**$ 119,637**	$ 109,012
Less:		
Senior preferred stock	**120,836**	120,836
Preferred stock	**19,130**	19,130
Common equity	**(20,329)**	(30,954)
Less: deferred tax assets arising from temporary differences that exceed 10% of common equity tier 1 capital and other regulatory adjustments	**9,707**	9,828
Common equity tier 1 capital (deficit)	**(30,036)**	(40,782)
Add: perpetual, noncumulative preferred stock	**19,130**	19,130
Tier 1 capital (deficit)	**(10,906)**	(21,652)
Tier 2 capital adjustments	**—**	—
Adjusted total capital (deficit)	**$ (10,906)**	$ (21,652)

The table below presents certain components of our core capital.

Statutory Capital Components

	As of	
	September 30, 2026	**December 31, 2025**
	(Dollars in millions)	
Total equity	**$ 119,637**	$ 109,012
Less:		
Senior preferred stock	**120,836**	120,836
Accumulated other comprehensive income (loss), net of taxes	**(1,234)**	20
Core capital (deficit)	**35**	(11,844)
Less: general allowance for foreclosure losses	**(9,648)**	(8,581)
Total statutory capital (deficit)	**$ 9,683**	$ (3,263)

Capital Activity

Under the terms governing the senior preferred stock, no dividends were payable to Treasury for the third quarter of 2026 and none are payable for the fourth quarter of 2026.

Under the terms governing the senior preferred stock, through and including the capital reserve end date, any increase in our net worth during a fiscal quarter results in an increase of the same amount in the aggregate liquidation preference of the senior preferred stock in the following quarter. The capital reserve end date is defined as the last day of the second consecutive fiscal quarter during which we have had and maintained capital equal to, or in excess of, all of the capital requirements and buffers under the enterprise regulatory capital framework.

As a result of these terms governing the senior preferred stock, the aggregate liquidation preference of the senior preferred stock increased to $238.0 billion as of September 30, 2026 from $234.2 billion as of June 30, 2026, due to the increase in our net worth in the second quarter of 2026. The aggregate liquidation preference of the senior preferred

stock will further increase to $241.1 billion as of December 31, 2026, due to the increase in our net worth in the third quarter of 2026. See “Business—Conservatorship and Treasury Agreements—Treasury Agreements” in our 2025 Form 10-K for more information on the terms of our senior preferred stock, including how the aggregate liquidation preference is determined.

Treasury Funding Commitment

Treasury made a commitment under the senior preferred stock purchase agreement to provide funding to us under certain circumstances if we have a net worth deficit. As of September 30, 2026, the remaining amount of Treasury’s funding commitment to us was $113.9 billion. See “Note 2, Conservatorship, Senior Preferred Stock Purchase Agreement and Related Matters” in our 2025 Form 10-K for more information on Treasury’s funding commitment under the senior preferred stock purchase agreement.

Risk Management

We are exposed to the following principal risk categories: credit risk (including mortgage credit risk and institutional counterparty credit risk), market risk (including interest-rate risk), liquidity risk, operational risk (including cyber and other information security risk), model risk, strategic risk, compliance risk and reputational risk. See “MD&A—Risk Management,” “MD&A—Single-Family Business—Single-Family Mortgage Credit Risk Management,” “MD&A—Multifamily Business—Multifamily Mortgage Credit Risk Management” and “MD&A—Liquidity and Capital Management” in our 2025 Form 10-K for a discussion of our management of the categories of risk we have determined present the most significant exposure. This section, “Single-Family Business—Single-Family Mortgage Credit Risk Management,” “Multifamily Business—Multifamily Mortgage Credit Risk Management” and “Liquidity and Capital Management” in this report supplement and update that discussion, but do not address all of these risk management categories.

Market Risk Management, including Interest-Rate Risk Management

We are subject to market risk, which includes interest-rate risk and spread risk. Interest-rate risk is the risk that movements in interest rates will adversely affect the value of our assets or liabilities or our future earnings or capital. Spread risk is the risk from changes in an instrument’s value that relate to factors other than changes in interest rates. Spread risk is intrinsic to our business model. While we monitor our spread risk exposure and manage the risk where feasible and appropriate, we do not seek to fully mitigate this risk and accept some level of it. See “MD&A—Risk Management—Market Risk Management, including Interest-Rate Risk Management” and “Risk Factors—Market and Industry Risk” in our 2025 Form 10-K for additional information, including our sources of interest-rate risk and spread risk exposure, business risks posed by changes in interest rates, and our strategy for managing market risk, including interest-rate risk.

Historically, our interest-rate risk management strategy focused primarily on maintaining an asset duration closely matched to our liability duration, net of derivatives, to minimize exposure to interest-rate movements. Beginning in the fourth quarter of 2025, we adjusted our interest-rate risk management strategy to balance this objective with the goal of mitigating the volatility of our earnings associated with short-term interest rate changes. As a result, pursuant to this new strategy, we are accepting additional interest rate risk associated with duration by increasing our exposure to longer-term rate positions, such as U.S. Treasury securities, which reduces the sensitivity of our earnings to short-term interest rate movements and helps manage interest-rate related earnings volatility associated with our corporate liquidity portfolio and retained mortgage portfolio investments. Our goal for managing interest-rate risk is to manage risk from movements in interest rates and volatility to a low level of exposure, within Board-approved risk limits.

Market Value Sensitivity

We manage the market value sensitivity of our net portfolio arising from interest rate movements. We collectively define our net portfolio as: our retained mortgage portfolio assets; our corporate liquidity portfolio; outstanding debt of Fannie Mae; mortgage commitments; and risk management derivatives. This involves asset selection and structuring of our liabilities to match and offset the interest-rate characteristics of our retained mortgage portfolio and our investments in non-mortgage securities. We actively manage the interest-rate risk of our net portfolio through a strategy incorporating debt instruments, derivative instruments, and portfolio rebalancing, as described in “MD&A—Risk Management—Market Risk Management, including Interest-Rate Risk Management—Interest-Rate Risk Management” in our 2025 Form 10-K.

Earnings Sensitivity

We also manage the earnings sensitivity of our consolidated balance sheet arising from interest rate movements. The risk management approach utilizes financial instruments, such as U.S. Treasuries, agency mortgage-backed securities and interest rate derivatives, to mitigate earnings volatility driven by interest rate movements. While this strategy

reduces downside risk to our earnings when interest rates drop, it may limit potential upside benefits of our earnings when interest rates rise.

We utilize fair value hedge accounting to align the timing of when we recognize the interest-rate driven fair value changes in hedged mortgage loans and funding debt with derivative hedging instruments to mitigate GAAP earnings exposure to interest-rate changes, including any short-term earnings volatility that might result from economic hedging. Our hedge accounting program is specifically designed to address the volatility of our financial results associated with changes in fair value related to changes in benchmark interest rates. As such, earnings variability driven by other factors, such as spreads or changes in cost basis amortization recognized in net interest income, remains. In addition, our ability to effectively reduce earnings volatility is impacted by the volume and type of interest-rate swaps available for hedging, which is driven by our interest-rate risk management strategy discussed above. As our range of available interest-rate swaps varies over time, our ability to reduce earnings volatility through hedge accounting may vary as well. When the shape of the yield curve shifts significantly from period to period, hedge accounting may be less effective. In our current program, we typically establish new hedging relationships each business day to provide flexibility in our overall risk management strategy.

See “Note 1, Summary of Significant Accounting Policies” in our 2025 Form 10-K and “Note 9, Derivative Instruments” in this report for additional information on our fair value hedge accounting policy and related disclosures.

Measurement of Market Value Sensitivity of our Net Portfolio

The table below displays the pre-tax market value sensitivity of our net portfolio to changes in the level of interest rates and the slope of the applicable yield curve as measured on the last day of each period presented. The table below also provides the daily average, minimum, maximum and standard deviation values for duration gap and for the most adverse market value impact on the net portfolio to changes in the level of interest rates and the slope of the applicable yield curve for the three months ended September 30, 2026 and 2025. Our practice is to allow interest rates to go below zero in the downward shock models unless otherwise prevented through contractual floors.

For information on how we measure our interest-rate risk, see “MD&A—Risk Management—Market Risk Management, including Interest-Rate Risk Management” in our 2025 Form 10-K.

Market Value Sensitivity of Net Portfolio to Changes in Interest-Rate Level and Slope of Yield Curve

	As of[1][2]	
	September 30, 2026	December 31, 2025
Rate level shock:	(Dollars in millions)	
-100 basis points	**$ 2,620**	$ 429
-50 basis points	**1,366**	219
+50 basis points	**(1,438)**	(223)
+100 basis points	**(2,888)**	(443)
Rate slope shock:		
-25 basis points (flattening)	**(136)**	(3)
+25 basis points (steepening)	**123**	(5)

	For the Three Months Ended September 30,[1][3]					
	2026			2025		
	Duration Gap	Rate Slope Shock 25 bps	Rate Level Shock 50 bps	Duration Gap	Rate Slope Shock 25 bps	Rate Level Shock 50 bps
		Market Value Sensitivity			Market Value Sensitivity	
	(In years)	(Dollars in millions)		(In years)	(Dollars in millions)	
Average	**1.27**	**$ (134)**	**$ (1,548)**	0.06	$ (6)	$ (51)
Minimum	**1.17**	**(148)**	**(1,639)**	0.03	(11)	(135)
Maximum	**1.39**	**(121)**	**(1,438)**	0.17	—	(20)
Standard deviation	**0.06**	**6**	**43**	0.03	2	23

(1) Computed based on changes in SOFR interest-rate swap curve.
(2) Measured on the last business day of each period presented.
(3) Computed based on daily values during the period presented.

The market value sensitivity of our net portfolio varies across a range of interest-rate shocks depending upon the duration and convexity profile of our net portfolio. The market value sensitivity of the net portfolio is measured by quantifying the change in the present value of the cash flows of our financial assets and liabilities that would result from an instantaneous shock to interest rates, assuming spreads are held constant. As a result of changes in our interest-rate risk management strategy as described above, including the purchases of longer-term U.S. Treasury securities, our duration gap has increased, resulting in greater market value sensitivity of our net portfolio.

We use derivatives to help manage the residual interest-rate risk exposure between the assets and liabilities in our net portfolio. Derivatives have enabled us to manage our economic interest-rate risk exposure in a wide range of interest-rate environments. The table below displays an example of how derivatives impacted the net market value exposure for a 50 basis point parallel interest-rate shock. For additional information on our derivative positions, see “Note 9, Derivative Instruments” in our 2025 Form 10-K and in this report.

Derivative Impact on Interest-Rate Risk (50 Basis Points)

	As of[1]	
	September 30, 2026	December 31, 2025
	(Dollars in millions)	
Before derivatives	**$ (3,006)**	$ (1,101)
After derivatives	**(1,438)**	(223)
Effect of derivatives	**1,568**	879

(1) Measured on the last business day of each period presented.

Critical Accounting Estimates

The preparation of financial statements in accordance with GAAP requires management to make a number of judgments, estimates and assumptions that affect the reported amount of assets, liabilities, income and expenses in our condensed consolidated financial statements. Understanding our accounting policies and the extent to which we use management judgment and estimates in applying these policies is integral to understanding our financial statements. We describe our most significant accounting policies in “Note 1, Summary of Significant Accounting Policies” in this report and in our 2025 Form 10-K.

We evaluate our critical accounting estimates and judgments required by our policies on an ongoing basis and update them as necessary based on changing conditions. Management has discussed any significant changes in judgments and assumptions in applying our critical accounting estimates with the Audit Committee of our Board of Directors. See “Risk Factors—General Risk” in our 2025 Form 10-K for a discussion of the risks associated with the need for management to make judgments and estimates in applying our accounting policies and methods. We have identified one of our accounting estimates, allowance for loan losses, as critical because it involves significant judgments and assumptions about highly complex and inherently uncertain matters, and the use of reasonably different judgments and assumptions could have a material impact on our reported results of operations or financial condition.

Allowance for Loan Losses

The allowance for loan losses is an estimate of single-family and multifamily HFI loan receivables that we expect will not be collected related to loans held by Fannie Mae or by consolidated Fannie Mae MBS trusts. The expected credit losses are deducted from the amortized cost basis of HFI loans to present the net amount expected to be received.

The allowance for loan losses involves substantial judgment on a number of matters including the development and weighting of macroeconomic forecasts, the reversion period applied, the assessment of similar risk characteristics, which determines the historic loss experience used to derive probability of loan default, the valuation of collateral, which includes judgments about the property condition at the time of foreclosure, and the determination of a loan’s remaining expected life. Our most significant judgments involved in estimating our allowance for loan losses relate to the modeled macroeconomic data used to develop reasonable and supportable forecasts for key economic drivers, which are subject to significant inherent uncertainty. Most notably, for single-family, the model uses forecasted single-family home prices as well as a range of possible future interest rate environments. For multifamily, the model uses forecasted net operating income and property valuations. In developing a reasonable and supportable forecast, the model simulates multiple paths of interest rates, net operating income and property values based on current market conditions.

Quantitative Component

We use a discounted cash flow method to measure expected credit losses on our single-family mortgage loans and an undiscounted loss method to measure expected credit losses on our multifamily mortgage loans.

Our modeled loan performance is based on our historical experience of loans with similar risk characteristics adjusted to reflect current conditions and reasonable and supportable forecasts. Our historical loss experience and our loan loss estimates capture the possibility of a multitude of events, including remote events that could result in credit losses on loans that are considered low risk. Our credit loss models, including the macroeconomic forecast data used as key inputs, are subject to our model oversight and review processes as well as other established governance and controls.

Qualitative Component

Our process for measuring expected credit losses is complex and involves significant management judgment, including a reliance on historical loss information and current economic forecasts that may not be representative of credit losses we ultimately realize. Management adjustments may be necessary to take into consideration external factors and current macroeconomic events that have occurred but are not yet reflected in the data used to derive the model outputs. Qualitative factors and events not previously observed by the models through historical loss experience may also be considered, as well as the uncertainty of their impact on credit loss estimates.

Macroeconomic Variables and Sensitivities

Our (provision) benefit for credit losses can vary substantially from period to period based on forecasted macroeconomic inputs. For single-family, we have determined that our most significant macroeconomic inputs used in determining our allowance for loan losses consist of forecasted home price growth rates and interest rates. For multifamily, we have determined that our most significant macroeconomic inputs used in determining our allowance for loan losses consist of net operating income and property value growth rates.

In evaluating the sensitivities of our allowance to these macroeconomic inputs, it is difficult to estimate how potential changes in any one factor or input might affect the overall credit loss estimates, because management considers a wide variety of factors and inputs in estimating the allowance for loan losses. Changes in the factors and inputs considered may not occur at the same rate and may not be consistent across all geographies or loan types, and changes in factors and inputs may be directionally inconsistent, such that improvement in one factor or input may offset deterioration in others. Changes in our assumptions and forecasts of economic conditions could significantly affect our estimate of expected credit losses and lead to significant changes in the estimate from one reporting period to the next.

We provide more detailed information on our accounting for the allowance for loan losses in “Note 1, Summary of Significant Accounting Policies” in our 2025 Form 10-K. See “Note 5, Allowance for Credit Losses” for additional information about our current period (provision) benefit for loan losses.

Single-Family Sensitivities and Inputs

The table below provides information about our most significant macroeconomic inputs used in determining our single-family allowance for loan losses: forecasted home price growth rates and interest rates. Although the model consumes a wide range of possible regional home price forecasts and interest rate scenarios that take into account inherent uncertainty, the forecasts below represent the mean path of those simulations used in determining the single-family allowance for each quarter through the nine months ended September 30, 2026, and for each quarter during the year ended December 31, 2025, and how those forecasts have changed between periods of estimate. Below we present our home price growth and interest rate estimates used in our estimate of expected credit losses. Our forecasts include estimates for periods beyond those presented below.

Select Single-Family Macroeconomic Model Inputs[1]

Forecasted home price growth (decline) rate by period of estimate:[2]

	For the Full Year ending December 31,		
	2026	**2027**	**2028**
Third Quarter 2026	1.7 %	0.6 %	1.1 %
Second Quarter 2026	1.4	1.0	1.4
First Quarter 2026	2.8	1.9	1.4

	For the Full Year ending December 31,		
	2025	**2026**	**2027**
Fourth Quarter 2025	2.7 %	2.4 %	2.2 %
Third Quarter 2025	2.6	1.3	1.2
Second Quarter 2025	3.4	1.1	1.1
First Quarter 2025	4.2	2.0	1.3

Forecasted 30-year mortgage interest rates by period of estimate:[3]

	Through the end of December 31,	For the Full Year ending December 31,	
	2026	**2027**	**2028**
Third Quarter 2026	7.5 %	7.7 %	7.8 %
Second Quarter 2026	6.5	6.4	6.4
First Quarter 2026	6.4	6.3	6.3

	Through the end of December 31,	For the Full Year ending December 31,	
	2025	**2026**	**2027**
Fourth Quarter 2025	6.3 %	6.2 %	6.2 %
Third Quarter 2025	6.4	6.2	6.1
Second Quarter 2025	6.7	6.3	6.3
First Quarter 2025	6.6	6.3	6.3

(1) These forecasts are provided solely for the purpose of providing insight into our credit loss model. Forecasts for future periods are subject to significant uncertainty, which increases for periods that are further in the future. We provide our most recent forecasts for certain macroeconomic and housing market conditions in "Key Market Economic Indicators." In addition, each month our Economic and Strategic Research Group provides its economic and housing forecasts, which are available in the "Data and Insights" section of our website, www.fanniemae.com. Information on our website is not incorporated into this report.

(2) These estimates are based on our national home price index, which is calculated differently from the S&P Cotality Case-Shiller U.S. National Home Price Index and therefore results in different percentages for comparable growth. We periodically update our home price growth estimates and forecasts as new data become available. The forecast data in this table may also differ from the forecasted home price growth rate presented in "Key Market Economic Indicators," because that section reflects our most recent forecast as of the filing date of this report, while this table reflects the quantitative forecast data we used in our model to estimate credit losses for the periods shown. Management continues to monitor macroeconomic updates to our inputs in our credit loss model from the time they are approved as part of our established governance process to assess the reasonableness of the inputs used to calculate estimated credit losses. The forecast data excludes the impact of any qualitative adjustments.

(3) Forecasted 30-year interest rates represent the mean of possible future interest rate environments that are simulated by our interest rate model and used in the estimation of credit losses. Forecasts through the end of December 31, 2026 and 2025 represent the average forecasted rate from the quarter-end through the calendar year-end of December 31st. The fourth quarter of 2025 interest rate represents the 30-year interest rate as of December 31, 2025. This table reflects the forecasted interest rate data we used in estimating credit losses for the periods shown and does not reflect changes in interest rates that occurred after the forecast date.

As noted above, our single-family allowance for loan losses is sensitive to changes in home prices and interest rate changes. We present in the table below the impact of hypothetical changes in home prices and 30-year interest rates, with all other factors held constant.

Single-Family Sensitivities - Hypothetical Changes to Model Inputs

Forecasted change to the first 12 months of the forecast: (In percentage points)	Allowance Impact	Approximate Change in Allowance as of September 30, 2026[1]
Change in home prices growth rate:[2]		
+1%	⬇	4%
-1%	⬆	4%
Change in 30-year interest rates:		
+0.5%	⬆	2%
-0.5%	⬇	2%

(1) Calculated as a percentage of our single-family allowance for loan losses.

(2) Change in home price shown on a normalized basis.

The above sensitivity analyses are hypothetical and are provided solely for the purpose of providing insight into our credit loss model inputs. In addition, sensitivities for home price and interest rate changes are non-linear. As a result, changes in these estimates are not always incrementally proportional. The purpose of this analysis is to provide an indication of the impact of changes in home prices and 30-year interest rates on the estimate of the single-family allowance for credit losses. This analysis is not intended to imply management's expectation of future changes in our forecasts or any other variables that may change as a result.

See "Key Market Economic Indicators" in our 2025 Form 10-K and in this report for additional information about how home prices and interest rates can affect our credit loss estimates, including a discussion of home price growth rates and our home price forecast. Also see "Consolidated Results of Operations—(Provision) Benefit for Credit Losses" for information on how our home price forecast and interest rate forecast impacted our single-family (provision) benefit for credit losses.

Multifamily Sensitivities and Inputs

The table below provides information about our most significant macroeconomic inputs used in determining our multifamily allowance for loan losses: multifamily property net operating income and property value growth rates. Although the model consumes a wide range of possible future economic scenarios, the forecasts below represent the mean path of those simulations used in determining the multifamily allowance for the quarter ended September 30, 2026, and for the quarter ended December 31, 2025, and how those forecasts have changed between periods of estimate. Our forecasts include estimates for periods beyond those presented below.

Select Multifamily Macroeconomic Model Inputs[1]

Forecasted net operating income growth (decline) rate by period of estimate:

	For the Full Year ending December 31,			
	2025	**2026**	**2027**	**2028**
Third Quarter 2026	N/A	0.2 %	2.3 %	3.5 %
Fourth Quarter 2025	1.1 %	1.9 %	3.2 %	N/A

Forecasted property value growth (decline) rate by period of estimate:

	For the Full Year ending December 31,			
	2025	**2026**	**2027**	**2028**
Third Quarter 2026	N/A	(1.2)%	0.9 %	3.5 %
Fourth Quarter 2025	(4.3)%	3.1 %	3.1 %	N/A

N/A Not applicable. For purposes of this disclosure, we provide the forecasted net operating income growth rate and property value growth rate for the period of estimate and the two years following the period of estimate.

(1) These forecasts are provided solely for the purpose of providing insight into our credit loss model. Forecasts for future periods are subject to significant uncertainty, which increases for periods that are further in the future, and may not align to other market forecasts.

As noted above, our multifamily allowance for loan losses is sensitive to changes in net operating income and property value growth rate changes. We present in the table below the impact of hypothetical changes in net operating income and property value growth rates, with all other factors held constant.

Multifamily Sensitivities - Hypothetical Changes to Model Inputs

Forecasted change to the first 12 months of the forecast: (In percentage points)	**Allowance Impact**	**Approximate Change in Allowance as of September 30, 2026[1]**
Change in net operating income growth rate:		
+1%	⬇	2%
-1%	⬆	2%
Change in property value growth rate:		
+1%	⬇	4%
-1%	⬆	4%

(1) Calculated as a percentage of our multifamily allowance for loan losses.

The above sensitivity analyses are hypothetical and are provided solely for the purpose of providing insight into our credit loss model inputs. In addition, sensitivities for net operating income and property value growth rate changes are non-linear. As a result, changes in these estimates are not always incrementally proportional. The purpose of this analysis is to provide an indication of the impact of net operating income and property value growth rate changes on the estimate of the multifamily allowance for credit losses. This analysis is not intended to imply management's expectation of future changes in our forecasts or any other variables that may change as a result.

See "Consolidated Results of Operations—(Provision) Benefit for Credit Losses" for information on how property valuations impacted our multifamily (provision) benefit for credit losses.

Impact of Future Adoption of New Accounting Guidance

We evaluate the impact on our condensed consolidated financial statements of recently issued accounting guidance in "Note 1, Summary of Significant Accounting Policies."

Legislation and Regulation

This section updates and supplements information regarding legislative, regulatory, conservatorship and other related matters affecting our business set forth in "Business—Conservatorship and Treasury Agreements" and "Business—Legislation and Regulation" in our 2025 Form 10-K. Also see "Risk Factors" in our 2025 Form 10-K for discussions of risks relating to legislative and regulatory matters.

Stress Testing

The Dodd-Frank Wall Street Reform and Consumer Protection Act requires certain financial companies to conduct annual stress tests to determine whether the companies have the capital necessary to absorb losses as a result of adverse economic conditions. Under FHFA regulations, each year we are required to conduct a stress test using two different scenarios of financial conditions provided by FHFA—baseline and severely adverse—and to publish a summary of our stress test results for the severely adverse scenario by August 15. On August 14, 2026, we published on our website the results of the severely adverse scenario for 2026.

2025 Housing Goals Performance

In September 2026, FHFA notified us that it had determined that we met all of our single-family and multifamily housing goals and subgoals for 2025. See "Business—Legislation and Regulation—Housing Goals" in our 2025 Form 10-K for more information regarding our 2025 housing goals requirements.

Executive Order on Housing Costs

On October 22, 2026, the President issued an executive order aimed at decreasing housing costs for the American people. The executive order directs the Director of FHFA, under specified conditions, to direct Fannie Mae and Freddie Mac to take the actions described below:

- *Establish mortgage insurance cancellation pilot program based on current property values.* The executive order directs the Director of FHFA, under specified conditions and subject to specified requirements, to direct Fannie Mae and Freddie Mac to establish a pilot program to proactively identify borrowers who may be eligible for cancellation of mortgage insurance based on current property values and other requirements, applicable to mortgages made after the establishment of the program.
- *Expand title acceptance pilot program and reduce refinance costs.* The executive order directs the Director of FHFA, under specified conditions and subject to specified requirements, to direct Fannie Mae and Freddie Mac to expand the existing title acceptance pilot program into an ongoing nationwide program under which Fannie Mae and Freddie Mac may accept automated title review or other FHFA-approved title-risk assessment in lieu of a lender's title insurance policy for eligible refinance transactions. The executive order also directs the Director of FHFA to consider a number of factors, including waiving certain documentation requirements and reducing or eliminating loan-level price adjustments and other fees for limited cash-out refinances that reduce the borrower's monthly payment.

The timing, scope and impact on our business, financial results and financial condition of actions FHFA may direct us to take in response to the executive order are uncertain and will depend, among other things, on FHFA's determinations regarding implementation and the specific terms of any resulting directives or requirements. See "Risk Factors—GSE and Conservatorship Risk" in our 2025 Form 10-K for a discussion of the risks to our business posed by our conservatorship status.

Forward-Looking Statements

This report includes statements that constitute forward-looking statements within the meaning of Section 21E of the Securities Exchange Act of 1934 (the "Exchange Act"). In addition, we and our senior management may from time to time make forward-looking statements in our other filings with the SEC, our other publicly available written statements, and orally to analysts, investors, the news media and others. Forward-looking statements often include words such as "expect," "anticipate," "intend," "plan," "believe," "seek," "estimate," "forecast," "project," "would," "should," "could," "likely," "may," "will" or similar words. Examples of forward-looking statements in this report include, among others, statements relating to our beliefs and expectations regarding the following matters:

- economic, mortgage market and housing market conditions (including expectations regarding economic growth, home price growth, multifamily property value growth, the unemployment rate, loan origination volumes, interest rates and multifamily property net operating income growth), the factors that will affect those conditions, and the impact of those conditions on our business and financial results;

- the impact of hedge accounting and our risk management approach on the volatility of our financial results;
- the future aggregate liquidation preference of our senior preferred stock;
- our future dividend payments on the senior preferred stock and the factors that will affect them;
- our business plans and strategies, and their impact, including our plans and expectations relating to new credit score models and relating to the U.S. Treasury security investments in our AFS investment portfolio;
- the credit performance of loans in our guaranty book of business (including future loan delinquencies and foreclosures) and the factors that affect such performance;
- the benefits we expect to receive from credit enhancements;
- how we intend to repay our debt obligations;
- our payments to specified HUD and Treasury funds in support of affordable housing under the GSE Act;
- the impact of the adoption of new accounting guidance;
- legal and regulatory proceedings; and
- the risks to our business and the factors that will affect those risks.

Forward-looking statements reflect our management's current expectations, forecasts or predictions of future conditions, events or results based on various assumptions and management's estimates of trends and economic conditions in the markets in which we are active and that otherwise impact our business plans. Forward-looking statements are not guarantees of future performance. By their nature, forward-looking statements are subject to significant risks and uncertainties and changes in circumstances. Our actual results and financial condition may differ, possibly materially, from the anticipated results and financial condition indicated in these forward-looking statements.

There are a number of factors that could cause actual conditions, events or results to differ materially from those described in our forward-looking statements, including, among others, the following:

- growth, deterioration and the overall health and stability of the U.S. economy, including GDP, unemployment rates, personal income, inflation and other indicators thereof;
- the impact of trade, fiscal, monetary, regulatory and immigration policies;
- deterioration in a specific sector of the U.S. economy or in one or more regional areas of the United States;
- the impact of investment in super intelligence ("SI"), also known as artificial intelligence, and other emerging technologies on future macroeconomic conditions;
- future interest rates and credit spreads;
- the timing and level of, as well as regional variation in, home price changes;
- the size and our share of the U.S. mortgage market (including the volume of mortgage originations) and the factors that affect them, including population growth and household formation;
- changes in fiscal or monetary policy of the U.S. or other countries, and the impact of such changes on domestic and international financial markets;
- domestic, regional and global political risks and uncertainties, including conflicts in the Middle East and other regions, and geopolitical instability;
- developments that may be difficult to predict, including: market conditions that result in changes in our deferred guaranty fee income or changes in net interest income from our portfolios; fluctuations in the estimated fair value of our assets and liabilities; and developments that affect our loss reserves, such as changes in interest rates or home prices;
- disruptions or instability in the housing, credit or broader financial markets;
- changes in the demand for Fannie Mae MBS, our debt securities or our credit risk transfer securities, in general or from one or more major groups of investors;
- constraints on our entry into new credit risk transfer transactions;
- a decrease in our credit ratings;
- limitations on our ability to access the debt capital markets;
- changes in our funding needs or our sources or uses of funds;

- the size, composition, quality and performance of our guaranty book of business and retained mortgage portfolio;
- how long loans in our guaranty book of business remain outstanding;
- our and our competitors' future guaranty fee pricing and the impact of that pricing on our competitive environment and guaranty fee revenues;
- the competitive environment in which we operate, including the impact of legislative, regulatory or other developments on levels of competition in our industry and other factors affecting our market share;
- the impact of interdependence between the single-family mortgage securitization programs of Fannie Mae and Freddie Mac in connection with UMBS;
- significant challenges we face in retaining and hiring qualified executives and other employees;
- our conservatorship, including any changes to or termination (by receivership or otherwise) of the conservatorship and its effect on our business;
- the investment by Treasury, including the impact of past or potential future changes to the terms of the senior preferred stock purchase agreement, senior preferred stock or warrant, and their effect on our business, including current or future restrictions or requirements imposed on us by the terms of the senior preferred stock purchase agreement, the senior preferred stock, or the warrant, as well as the extent that these or other restrictions on our business and activities are applied to us through other mechanisms even if we cease to be subject to these agreements and instruments;
- uncertainty regarding our future, including relating to: our exit from conservatorship; our ability to raise, earn or retain the capital needed to meet our capital requirements; our future capital structure; and our future dividend requirements;
- the impact of the enterprise regulatory capital framework on our business and financial results;
- future legislative and regulatory requirements or changes, governmental initiatives, or executive orders affecting us, such as the enactment of housing finance reform legislation, including changes that limit our business activities or our footprint, impose new mandates on us, or affect our ability to change our pricing;
- future legislative and regulatory requirements or changes, governmental initiatives, or executive orders affecting macroeconomic conditions, such as changes to trade, fiscal, monetary, tax or immigration policies;
- actions by FHFA, Treasury, the Federal Reserve, the Office of the Comptroller of the Currency ("OCC"), the Federal Deposit Insurance Corporation ("FDIC"), the Commodity Futures Trading Commission ("CFTC"), HUD, the Consumer Financial Protection Bureau, the SEC or other regulators, Congress, the Executive Branch, or state or local governments that affect our business;
- changes in the structure and regulation of the financial services industry;
- the possibility that changes in leadership at FHFA or the Administration will result in additional changes that affect our company or our business;
- actions we may be required to take by FHFA, in its role as our conservator or as our regulator, such as changes in the type of business we do, actions relating to UMBS or our resecuritization of Freddie Mac-issued securities, or credit risk management actions;
- limitations on our business imposed by FHFA, in its role as our conservator or as our regulator;
- adverse effects from activities we undertake to support the mortgage market and help borrowers, renters, lenders and servicers, including actions we may take to reach additional underserved borrowers, lower costs for borrowers, or from pursuing new business activities;
- a default by the United States government on its obligations;
- a partial or full shutdown of the United States government;
- significant changes in forbearance, modification and foreclosure activity;
- the volume and pace of any future nonperforming and reperforming loan sales and their impact on our financial results and serious delinquency rates;
- changes in borrower behavior;
- actions we may take to mitigate losses, and the effectiveness of our loss mitigation strategies, management of our REO inventory and pursuit of contractual remedies;

- environmental disasters, terrorist attacks, widespread health emergencies or pandemics, infrastructure failures, or other disruptive or catastrophic events;
- the expiration of the National Flood Insurance Program on December 11, 2026, without re-authorization, including the impact of any disruptions in the payment of claims and of delays in obtaining or renewing coverage;
- earthquakes or other natural disasters, including those for which we may be uninsured or under-insured or that may affect our counterparties or the hazard insurers insuring properties underlying our guaranty book of business;
- severe weather events, fires, floods, hail, wind or other natural disaster-related events or impacts, including those for which we may be uninsured or under-insured or that may affect our counterparties or the hazard insurers insuring properties underlying our guaranty book of business, and other natural disaster-related risks;
- defaults by one or more of our counterparties or by the hazard insurers insuring properties underlying our guaranty book of business;
- resolution or settlement agreements we may enter into with our counterparties;
- our need to rely on third parties to achieve some of our corporate objectives, including our reliance on mortgage servicers;
- our reliance on U.S. Financial Technology, LLC ("U.S. FinTech") and the common securitization platform U.S. FinTech operates for a majority of our single-family securitization activities; provisions in the limited liability company agreement with U.S. FinTech that permit FHFA to appoint members to the U.S. FinTech Board of Managers, which limit the ability of Fannie Mae and Freddie Mac to control decisions of the U.S. FinTech Board of Managers; and changes FHFA may require in our relationship with or in our support of U.S. FinTech;
- the effectiveness of our risk management processes and related controls;
- the effectiveness of our business resiliency plans and systems;
- the stability and adequacy of the systems and infrastructure that impact our operations, including ours and those of U.S. FinTech, our other counterparties and other third parties;
- our reliance on models and future updates we make to our models, including the data and assumptions used by these models;
- opportunities and risks presented by the use or anticipated use of SI technologies and other emerging technologies by us or third parties, including generative SI and agentic SI, including opportunities and risks presented by the rapid and increasing pace of adoption and evolution of SI;
- cyber attacks or other cybersecurity breaches or threats impacting us, the third parties with which we do business or our regulators, and any restrictions on our and their access to SI models;
- changes in GAAP, guidance by the Financial Accounting Standards Board ("FASB"), SEC guidance, and our accounting policies; and
- the other factors described in "Risk Factors" in our 2025 Form 10-K.

Readers are cautioned not to unduly rely on the forward-looking statements we make and to place these forward-looking statements into proper context by carefully considering the factors identified above and those discussed in "Risk Factors" in our 2025 Form 10-K. These forward-looking statements are representative only as of the date they are made, and we undertake no obligation to update any forward-looking statement as a result of new information, future events or otherwise, except as required under the federal securities laws.

Item 1. Financial Statements

FANNIE MAE

(In conservatorship)

Condensed Consolidated Statements of Operations and Comprehensive Income — (Unaudited)

(Dollars and shares in millions, except per share amounts)

	For the Three Months Ended September 30,		For the Nine Months Ended September 30,	
	2026	2025	2026	2025
Interest income:				
Mortgage loans	$ 39,962	$ 38,344	$ 118,161	$ 113,436
Securities purchased under agreements to resell	592	844	1,770	2,640
Investments in securities and other	1,068	789	2,721	2,328
Total interest income	41,622	39,977	122,652	118,404
Interest expense:				
Short-term debt	(323)	(154)	(771)	(362)
Long-term debt	(33,740)	(32,639)	(99,631)	(96,702)
Total interest expense	(34,063)	(32,793)	(100,402)	(97,064)
Net interest income	7,559	7,184	22,250	21,340
Non-interest income:				
Fair value gains (losses), net	630	13	675	347
Fee and other income	92	123	246	293
Investment gains (losses), net	94	120	(130)	100
Total non-interest income	816	256	791	740
(Provision) benefit for credit losses	(1,140)	(338)	(1,902)	(1,308)
Non-interest expense:				
Salaries and employee benefits	(484)	(475)	(1,410)	(1,578)
Professional services, technology, and occupancy	(300)	(344)	(930)	(1,080)
Legislative assessments	(924)	(943)	(2,789)	(2,813)
Credit enhancement expense	(371)	(409)	(1,090)	(1,288)
Other income (expense), net	(44)	(96)	(155)	(440)
Total non-interest expense	(2,123)	(2,267)	(6,374)	(7,199)
Income before federal income taxes	5,112	4,835	14,765	13,573
Provision for federal income taxes	(935)	(976)	(2,886)	(2,736)
Net income	4,177	3,859	11,879	10,837
Other comprehensive income (loss)	(1,037)	(10)	(1,254)	(9)
Total comprehensive income	$ 3,140	$ 3,849	$ 10,625	$ 10,828
Net income	$ 4,177	$ 3,859	$ 11,879	$ 10,837
Dividends distributed or amounts attributable to senior preferred stock	(3,140)	(3,849)	(10,625)	(10,828)
Net income (loss) attributable to common stockholders	$ 1,037	$ 10	$ 1,254	$ 9
Earnings per share:				
Basic	$ 0.18	$ 0.00	$ 0.21	$ 0.00
Diluted	0.18	0.00	0.21	0.00
Weighted-average common shares outstanding:				
Basic	5,867	5,867	5,867	5,867
Diluted	5,893	5,893	5,893	5,893

See Notes to Condensed Consolidated Financial Statements

FANNIE MAE

(In conservatorship)

Condensed Consolidated Balance Sheets — (Unaudited)

(Dollars in millions)

	As of	
	September 30, 2026	**December 31, 2025**
ASSETS		
Cash	**$ 10,918**	$ 11,452
Restricted cash (includes $17,687 and $22,848, respectively, related to consolidated trusts)	**25,425**	31,131
Securities purchased under agreements to resell (includes $16,050 and $18,425, respectively, related to consolidated trusts)	**33,450**	45,650
Investments in securities, at fair value	**100,723**	69,889
Mortgage loans:		
Loans held for sale, at lower of cost or fair value	**332**	209
Loans held for investment, at amortized cost:		
Of Fannie Mae	**66,617**	57,970
Of consolidated trusts	**4,049,097**	4,069,498
Total loans held for investment (includes $6,309 and $5,464, respectively, at fair value)	**4,115,714**	4,127,468
Allowance for loan losses	**(9,415)**	(8,364)
Total loans held for investment, net of allowance	**4,106,299**	4,119,104
Total mortgage loans	**4,106,631**	4,119,313
Advances to lenders	**1,206**	3,595
Deferred tax assets, net	**9,707**	9,828
Accrued interest receivable (includes $11,628 and $11,129, respectively, related to consolidated trusts)	**12,567**	11,689
Other assets	**17,260**	14,991
Total assets	**$ 4,317,887**	$ 4,317,538
LIABILITIES AND EQUITY		
Liabilities:		
Accrued interest payable (includes $11,457 and $11,320, respectively, related to consolidated trusts)	**$ 12,593**	$ 12,035
Debt:		
Of Fannie Mae (includes $235 and $256, respectively, at fair value)	**168,731**	127,289
Of consolidated trusts (includes $14,728 and $15,060, respectively, at fair value)	**4,000,518**	4,053,140
Other liabilities (includes $1,717 and $1,719, respectively, related to consolidated trusts)	**16,408**	16,062
Total liabilities	**4,198,250**	4,208,526
Commitments and contingencies (Note 14)	**—**	—
Fannie Mae stockholders' equity:		
Senior preferred stock (liquidation preference of $237,996 and $226,984, respectively)	**120,836**	120,836
Preferred stock, 700,000,000 shares are authorized—555,374,922 shares issued and outstanding	**19,130**	19,130
Common stock, no par value, no maximum authorization—1,308,762,703 shares issued and 1,158,087,567 shares outstanding	**687**	687
Accumulated deficit	**(12,382)**	(24,261)
Accumulated other comprehensive income (loss)	**(1,234)**	20
Treasury stock, at cost, 150,675,136 shares	**(7,400)**	(7,400)
Total stockholders' equity	**119,637**	109,012
Total liabilities and equity	**$ 4,317,887**	$ 4,317,538

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,	
	2026	**2025**
Net cash provided by (used in) operating activities	**$ 26,613**	$ 17,998
Cash flows provided by (used in) investing activities:		
Mortgage loans acquired held for investment:		
Purchases	**(135,310)**	(93,505)
Proceeds from sales	**459**	877
Proceeds from repayments	**342,498**	294,908
Advances to lenders	**(93,876)**	(76,692)
Purchases of available-for-sale securities	**(43,011)**	—
Proceeds from sales of available-for-sale securities	**4,181**	—
Proceeds from disposition of acquired property, preforeclosure sales and insurance proceeds	**2,095**	1,990
Net change in securities purchased under agreements to resell	**12,200**	(5,275)
Other, net	**(1,243)**	(1,136)
Net cash provided by (used in) investing activities	**87,993**	121,167
Cash flows provided by (used in) financing activities:		
Borrowings that have an original maturity of three months or less, net	**(2,058)**	6,382
Proceeds from issuance of debt of Fannie Mae	**93,487**	24,229
Payments to redeem debt of Fannie Mae	**(49,822)**	(44,645)
Proceeds from issuance of debt of consolidated trusts	**235,222**	184,809
Payments to redeem debt of consolidated trusts	**(397,668)**	(309,095)
Other, net	**(7)**	(6)
Net cash provided by (used in) financing activities	**(120,846)**	(138,326)
Net increase (decrease) in cash and restricted cash	**(6,240)**	839
Cash and restricted cash at beginning of period	**42,583**	38,536
Cash and restricted cash at end of period	**$ 36,343**	$ 39,375
Cash paid during the period for:		
Interest	**$ 105,185**	$ 101,890
Federal income taxes, net of refunds	**2,050**	1,900

See Notes to Condensed Consolidated Financial Statements

FANNIE MAE

(In conservatorship)

Condensed Consolidated Statements of Changes in Equity — (Unaudited)

(Dollars and shares in millions)

	Fannie Mae Stockholders' Equity									
	Shares Outstanding									
	Senior Preferred	Preferred	Common	Senior Preferred Stock	Preferred Stock	Common Stock	Accumulated Deficit	Accumulated Other Comprehensive Income (Loss)	Treasury Stock	Total Equity
Balance as of June 30, 2026	1	556	1,158	$ 120,836	$ 19,130	$ 687	$ (16,559)	$ (197)	$ (7,400)	$ 116,497
Comprehensive income:										
Net income	—	—	—	—	—	—	4,177	—	—	4,177
Other comprehensive income, net of tax effect:										
Changes in net unrealized gains (losses) on available-for-sale securities (net of taxes of $275)	—	—	—	—	—	—	—	(1,036)	—	(1,036)
Reclassification adjustment for (gains) losses included in net income (net of taxes of $0)	—	—	—	—	—	—	—	—	—	—
Other (net of taxes of $0)	—	—	—	—	—	—	—	(1)	—	(1)
Total comprehensive income										3,140
Balance as of September 30, 2026	1	556	1,158	$ 120,836	$ 19,130	$ 687	$ (12,382)	$ (1,234)	$ (7,400)	$ 119,637

	Fannie Mae Stockholders' Equity									
	Shares Outstanding									
	Senior Preferred	Preferred	Common	Senior Preferred Stock	Preferred Stock	Common Stock	Accumulated Deficit	Accumulated Other Comprehensive Income (Loss)	Treasury Stock	Total Equity
Balance as of December 31, 2025	1	556	1,158	$ 120,836	$ 19,130	$ 687	$ (24,261)	$ 20	$ (7,400)	$ 109,012
Comprehensive income:										
Net income	—	—	—	—	—	—	11,879	—	—	11,879
Other comprehensive income, net of tax effect:										
Changes in net unrealized gains (losses) on available-for-sale securities (net of taxes of $332)	—	—	—	—	—	—	—	(1,250)	—	(1,250)
Reclassification adjustment for (gains) losses included in net income (net of taxes of $0)	—	—	—	—	—	—	—	—	—	—
Other (net of taxes of $1)	—	—	—	—	—	—	—	(4)	—	(4)
Total comprehensive income										10,625
Balance as of September 30, 2026	1	556	1,158	$ 120,836	$ 19,130	$ 687	$ (12,382)	$ (1,234)	$ (7,400)	$ 119,637

	Fannie Mae Stockholders' Equity									
	Shares Outstanding									
	Senior Preferred	Preferred	Common	Senior Preferred Stock	Preferred Stock	Common Stock	Accumulated Deficit	Accumulated Other Comprehensive Income (Loss)	Treasury Stock	Total Equity
Balance as of June 30, 2025	1	556	1,158	$ 120,836	$ 19,130	$ 687	$ (31,647)	$ 30	$ (7,400)	$ 101,636
Comprehensive income:										
Net income	—	—	—	—	—	—	3,859	—	—	3,859
Other comprehensive income, net of tax effect:										
Changes in net unrealized gains (losses) on available-for-sale securities (net of taxes of $2)	—	—	—	—	—	—	—	(8)	—	(8)
Reclassification adjustment for (gains) losses included in net income (net of taxes of $0)	—	—	—	—	—	—	—	—	—	—
Other (net of taxes of $0)	—	—	—	—	—	—	—	(2)	—	(2)
Total comprehensive income										3,849
Balance as of September 30, 2025	1	556	1,158	$ 120,836	$ 19,130	$ 687	$ (27,788)	$ 20	$ (7,400)	$ 105,485

	Fannie Mae Stockholders' Equity									
	Shares Outstanding									
	Senior Preferred	Preferred	Common	Senior Preferred Stock	Preferred Stock	Common Stock	Accumulated Deficit	Accumulated Other Comprehensive Income (Loss)	Treasury Stock	Total Equity
Balance as of December 31, 2024	1	556	1,158	$ 120,836	$ 19,130	$ 687	$ (38,625)	$ 29	$ (7,400)	$ 94,657
Comprehensive income:										
Net income	—	—	—	—	—	—	10,837	—	—	10,837
Other comprehensive income, net of tax effect:										
Changes in net unrealized gains (losses) on available-for-sale securities (net of taxes of $1)	—	—	—	—	—	—	—	(5)	—	(5)
Reclassification adjustment for (gains) losses included in net income (net of taxes of $0)	—	—	—	—	—	—	—	1	—	1
Other (net of taxes of $1)	—	—	—	—	—	—	—	(5)	—	(5)
Total comprehensive income										10,828
Balance as of September 30, 2025	1	556	1,158	$ 120,836	$ 19,130	$ 687	$ (27,788)	$ 20	$ (7,400)	$ 105,485

See Notes to Condensed Consolidated Financial Statements

FANNIE MAE

(In conservatorship)

Notes to Condensed Consolidated Financial Statements (Unaudited)

1. Summary of Significant Accounting Policies

Fannie Mae is a leading source of financing for residential mortgages in the United States. We are a government-sponsored, stockholder-owned corporation, chartered by Congress to provide liquidity and stability to the U.S. housing market and to promote access to mortgage credit. We primarily do this by buying residential mortgage loans that are originated by lenders. We place these loans into trusts and issue guaranteed mortgage-backed securities ("MBS") that global investors buy from us. We do not originate mortgage loans or lend money directly to borrowers.

We are currently operating under conservatorship, with the Federal Housing Finance Agency ("FHFA") acting as conservator. See "Note 2, Conservatorship, Senior Preferred Stock Purchase Agreement and Related Matters" below and in our annual report on Form 10-K for the year ended December 31, 2025 ("2025 Form 10-K") for information on our conservatorship, the senior preferred stock purchase agreement, the impact of U.S. government support of our business, and related party relationships.

Basis of Presentation

The accompanying unaudited interim condensed consolidated financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America ("GAAP"). We are operating pursuant to the authority provided by FHFA as conservator and on the basis that we will realize assets and satisfy liabilities in the normal course of business as a going concern. These condensed consolidated financial statements include our accounts as well as the accounts of other entities in which we have a controlling financial interest, and all intercompany balances and transactions have been eliminated.

The accompanying financial statements should be read in conjunction with our audited consolidated financial statements and related notes included in our 2025 Form 10-K. Certain disclosures are condensed or omitted from the accompanying financial statements as they are not required for interim financial statements under GAAP. In the opinion of management, the accompanying financial statements contain all adjustments, which include only normal recurring adjustments, necessary for a fair presentation of our results. The nature of our business is such that the results of any interim period are not necessarily indicative of results for a full year. We have reclassified certain amounts reported in our prior period consolidated financial statements to conform to our current-period presentation.

Use of Estimates

Preparing condensed consolidated financial statements in accordance with GAAP requires management to make estimates and assumptions that affect our reported amounts of assets and liabilities and disclosure of contingent assets and liabilities as of the dates of our condensed consolidated financial statements, as well as our reported amounts of revenues and expenses during the reporting periods. Management has made significant estimates in a variety of areas including, but not limited to, the allowance for loan losses. Actual results could be different from these estimates.

Investments in Securities

We present cash flows from trading securities and available-for-sale ("AFS") securities as operating activities and investing activities, respectively, in our condensed consolidated statements of cash flows.

Earnings per Share

Earnings per share ("EPS") is presented for basic and diluted EPS. For the three and nine months ended September 30, 2026 and 2025, the weighted average shares outstanding used in the computation of basic and diluted EPS includes 4.7 billion shares of common stock that would be issuable upon full exercise of the common stock warrant issued to the U.S. Department of the Treasury ("Treasury").

For the calculation of diluted EPS, the weighted average shares outstanding is increased to include the number of additional common shares that would have been outstanding if the dilutive potential common shares had been issued.

For the three and nine months ended September 30, 2026 and 2025, our diluted EPS weighted-average shares outstanding include the 26 million shares issuable upon the conversion of convertible preferred stock.

Collateral

We enter into various transactions related to financial instruments where we pledge and accept collateral, including derivative transactions and repurchase and reverse repurchase agreements.

Pursuant to these arrangements, we posted U.S. Treasury securities of $9.7 billion and $8.2 billion as collateral, of which the substantial majority could be sold or repledged, as of September 30, 2026 and December 31, 2025, respectively. The fair value of non-cash collateral received was $33.8 billion and $45.6 billion, of which $32.8 billion and $43.4 billion could be sold or repledged as of September 30, 2026 and December 31, 2025, respectively. None of the underlying collateral we received was sold or repledged as of September 30, 2026 or December 31, 2025.

Foreclosed Property

We present property acquired through foreclosure in “Other assets” in our condensed consolidated balance sheets. We held $2.8 billion and $1.9 billion of acquired foreclosed property, net as of September 30, 2026 and December 31, 2025, respectively.

New Accounting Guidance

Purchased Financial Assets

In November 2025, the Financial Accounting Standards Board (“FASB”) issued Accounting Standards Update (“ASU”) 2025-08, *Financial Instruments—Credit Losses (Topic 326): Purchased Loans* which amends the guidance to align the accounting for purchased seasoned loans with the accounting for purchases of financial assets that have experienced more-than-insignificant credit deterioration since origination. Specifically, the ASU requires a “gross-up approach” on purchased seasoned loans such that the initial measurement of the loan is equal to the purchase price plus the expected credit losses on the loan at the date of acquisition. Seasoned purchased loans include loans obtained in a business combination and loans acquired more than 90 days after their origination date by a transferee that was not involved in their origination.

The ASU is effective for reporting periods beginning after December 15, 2026 and the guidance is applied prospectively to loans acquired on or after January 1, 2027. The adoption of this guidance is not expected to have a material impact on our consolidated financial statements.

2. Conservatorship, Senior Preferred Stock Purchase Agreement and Related Matters

Conservatorship

We are currently operating under conservatorship, with FHFA acting as conservator. The conservatorship and related matters significantly affect our management, business activities, financial condition and results of operations.

Senior Preferred Stock Purchase Agreement

FHFA, as conservator, entered into a senior preferred stock purchase agreement with Treasury on our behalf in September 2008. In connection with that agreement, we issued Treasury one million shares of Variable Liquidation Preference Senior Preferred Stock, Series 2008-2, which we refer to as the “senior preferred stock,” and a warrant to purchase shares equal to 79.9% of our common stock, on a fully diluted basis, for a nominal price of $0.00001 per share. This agreement also provides funding to us under certain circumstances if we have a net worth deficit. Pursuant to the senior preferred stock purchase agreement, we have received a total of $119.8 billion from Treasury as of September 30, 2026, and the amount of remaining funding available to us under the agreement is $113.9 billion. We have not received any funding from Treasury under this commitment since the first quarter of 2018. We had a positive net worth of $119.6 billion as of September 30, 2026.

The dividend provisions of the senior preferred stock permit us to retain increases in our net worth until our net worth exceeds the amount of adjusted total capital necessary for us to meet the capital requirements and buffers under the enterprise regulatory capital framework established by FHFA. As a result of our conservatorship status and the terms of the senior preferred stock, no amounts would be available to distribute as dividends to common or preferred stockholders (other than to Treasury as the holder of the senior preferred stock).

The aggregate liquidation preference of the senior preferred stock increased to $238.0 billion as of September 30, 2026 from $234.2 billion as of June 30, 2026, due to the increase in our net worth in the second quarter of 2026. The aggregate liquidation preference of the senior preferred stock will further increase to $241.1 billion as of December 31, 2026, due to the increase in our net worth in the third quarter of 2026.

Related Parties

U.S. FinTech Customer Services Agreement

Fannie Mae and Freddie Mac jointly own U.S. Financial Technology, LLC ("U.S. FinTech"), a limited liability company that operates a common securitization platform. As a result of this joint ownership, U.S. FinTech is considered a related party. U.S. FinTech operates as a separate entity from Fannie Mae and Freddie Mac.

Our Customer Services Agreement with U.S. FinTech was amended effective January 1, 2026. Under the amended agreement, Fannie Mae and Freddie Mac pay service fees to U.S. FinTech. Previously, Fannie Mae and Freddie Mac funded U.S. FinTech's operations through capital contributions. The service fees are based on a cost-plus arrangement with a fixed margin and are split equally between the two companies. We record the service fees and our share of U.S. FinTech's net operating income (losses) in "Other income (expense), net."

3. Consolidations and Transfers of Financial Assets

We have interests in various entities that are considered to be variable interest entities ("VIEs"). The primary types of VIEs are securitization and resecuritization trusts, limited partnerships and special purpose vehicles ("SPVs"). Variable interests from Freddie Mac and other issuers may include a guaranty that reduces our exposure to credit risk when we hold them as investments or resecuritize them in a resecuritization trust that issues MBS that are backed by our guaranty. We consolidate the substantial majority of our single-class securitization trusts because our role as guarantor and master servicer provides us with the power to direct activities (primarily the servicing of mortgage loans) that impact the credit risk to which we are exposed. In contrast, we do not consolidate single-class securitization trusts when other organizations have the power to direct these activities unless we have the unilateral ability to dissolve the trust. We also do not consolidate our resecuritization trusts unless we have the unilateral ability to dissolve the trust. We may include securities issued by Freddie Mac in some of our resecuritization trusts. The mortgage loans that serve as collateral for Freddie Mac-issued securities are not held in trusts that are consolidated by Fannie Mae.

Unconsolidated VIEs

Our maximum exposure to loss generally represents the greater of our carrying amount related to our involvement with unconsolidated securitization and resecuritization trusts or the unpaid principal balance ("UPB") of the assets covered by our guaranty. Our involvement in unconsolidated resecuritization trusts may give rise to additional exposure to loss depending on the type of resecuritization trust. Fannie Mae resecuritization trusts that are backed entirely by Fannie Mae MBS are not consolidated and do not give rise to any additional exposure to loss as we already consolidate the underlying collateral. In contrast, Fannie Mae resecuritization trusts that are backed in whole or in part by Freddie Mac securities may increase our exposure to loss to the extent that we are providing a guaranty for the timely payment and interest on the underlying Freddie Mac securities that we have not previously guaranteed. Our maximum exposure to loss for these unconsolidated trusts is measured by the amount of Freddie Mac securities that are held in these resecuritization trusts. While our total assets for unconsolidated trusts are measured based on the aggregate value of the trusts, our maximum exposure to loss is limited to our ownership interest.

The following table displays our maximum exposure to loss as a result of our involvement with unconsolidated VIEs and the total assets of the VIEs.

	As of			
	September 30, 2026		December 31, 2025	
	Total Assets	Maximum Exposure to Loss	Total Assets	Maximum Exposure to Loss
	(Dollars in millions)			
Securitization and resecuritization trusts[1]	**$ 491,025**	**$ 188,523**	$ 535,491	$ 199,010
Credit risk transfer SPVs[2]	**22,639**	**22,650**	22,835	22,847
Limited partnerships, including low income housing tax credit ("LIHTC") investments[3]	**7,115**	**749**	6,973	750

(1) The net carrying amount of securitization and resecuritization trusts were $22.3 billion and $14.1 billion as of September 30, 2026 and December 31, 2025, respectively, which are primarily classified in “Investments in securities, at fair value” in our condensed consolidated balance sheets.

(2) Maximum exposure to loss of credit risk transfer SPVs consists of the UPB and accrued interest payable of obligations issued by Connecticut Avenue Securities® ("CAS") and Multifamily Connecticut Avenue Securities® ("MCAS™") SPVs.

(3) The net carrying value of LIHTC investments that represent VIEs was $749 million and $750 million as of September 30, 2026 and December 31, 2025, respectively. The net carrying value of all LIHTC investments was $2.8 billion and $2.5 billion as of September 30, 2026 and December 31, 2025, respectively. In our condensed consolidated balance sheets, the LIHTC investment assets and liabilities are classified as “Other assets” and “Other liabilities,” respectively.

As of September 30, 2026, the UPB of our multifamily loan portfolio was $535.7 billion. As our lending relationship does not provide us with a controlling financial interest in the borrower entity for loans in our multifamily loan portfolio, we do not consolidate these borrowers regardless of their status as either a VIE or a voting interest entity. We have excluded these entities from our VIE disclosures; however, the disclosures we have provided in “Note 4, Mortgage Loans,” “Note 5, Allowance for Credit Losses” and “Note 7, Financial Guarantees” with respect to this population are consistent with the FASB’s stated objectives for the disclosures related to unconsolidated VIEs.

Transfers of Financial Assets and Portfolio Securitizations

We issue single-class Fannie Mae MBS through portfolio securitization transactions by transferring pools of mortgage loans or mortgage-related securities to one or more trusts or special purpose entities. For the three months ended September 30, 2026 and 2025, the UPB of portfolio securitizations was $48.1 billion and $36.8 billion, respectively. For the nine months ended September 30, 2026 and 2025, the UPB of portfolio securitizations was $145.8 billion and $103.2 billion, respectively. We consolidate the substantial majority of these portfolio securitization transactions.

We retain interests from the transfer and sale of mortgage-related securities to unconsolidated single-class portfolio securitization trusts and unconsolidated single-class and multi-class portfolio resecuritization trusts. As of September 30, 2026, the UPB of retained interests was $7.8 billion and its related fair value was $7.8 billion. As of December 31, 2025, the UPB of retained interests was $1.0 billion and its related fair value was $1.3 billion. For the three months ended September 30, 2026 and 2025, the principal, interest and other fees received on retained interests was $130 million and $60 million, respectively. For the nine months ended September 30, 2026 and 2025, the principal, interest and other fees received on retained interests was $330 million and $183 million, respectively.

4. Mortgage Loans

We record on our consolidated balance sheets single-family mortgage loans, which are secured by four or fewer residential dwelling units, and multifamily mortgage loans, which are secured by five or more residential dwelling units. We classify these loans as either held for investment (“HFI”) or held for sale (“HFS”). Unless otherwise noted, within “Note 4, Mortgage Loans,” we report the amortized cost of HFI loans for which we have not elected the fair value option at the UPB, adjusted for unamortized premiums and discounts, hedge-related basis adjustments, other cost basis adjustments, and accrued interest receivable. Within our condensed consolidated balance sheets, we present accrued interest receivable, net separately from the amortized cost of our loans held for investment. We report the carrying value of HFS loans at the lower of cost or fair value and record valuation changes in “Investment gains (losses), net” in our condensed consolidated statements of operations and comprehensive income.

Within our single-family mortgage loan disclosures below, we display loans by class of financing receivable type. Financing receivable classes used for disclosure consist of: “20- and 30-year or more, amortizing fixed-rate,” “15-year or

less, amortizing fixed-rate," "Adjustable-rate," and "Other." The "Other" class primarily consists of reverse mortgage loans, interest-only loans, negative-amortizing loans and second liens.

The following table displays the carrying value of our mortgage loans and allowance for loan losses.

	As of	
	September 30, 2026	**December 31, 2025**
	(Dollars in millions)	
Single-family	**$ 3,557,836**	$ 3,570,904
Multifamily	**535,708**	524,962
Total UPB of mortgage loans[1]	**4,093,544**	4,095,866
Cost basis and fair value adjustments, net	**22,502**	31,811
Allowance for loan losses for HFI loans	**(9,415)**	(8,364)
Total mortgage loans[2]	**$ 4,106,631**	$ 4,119,313

(1) The UPB of mortgage loans is presented net of write-offs for amounts deemed uncollectible.

(2) Excludes $11.8 billion and $11.3 billion of accrued interest receivable as of September 30, 2026 and December 31, 2025, respectively.

The following table displays information about our purchase of HFI loans, redesignation of loans and sales of mortgage loans during the period.

	For the Three Months Ended September 30,		For the Nine Months Ended September 30,	
	2026	**2025**	**2026**	**2025**
	(Dollars in millions)			
Purchase of HFI loans:				
Single-family UPB	**$ 87,500**	$ 90,175	**$ 296,610**	$ 237,369
Multifamily UPB	**14,272**	18,508	**45,121**	46,658
Single-family loans redesignated from HFI to HFS:				
Amortized cost	**$ 197**	$ 823	**$ 738**	$ 1,527
Lower of cost or fair value adjustment at time of redesignation[1]	**(14)**	(97)	**(96)**	(187)
Allowance reversed at time of redesignation	**7**	6	**4**	26
Single-family loans sold:				
UPB	**$ 541**	$ 309	**$ 541**	$ 969
Realized gains (losses), net	**(2)**	(7)	**(2)**	—

(1) Consists of the write-off against the allowance at the time of redesignation.

Aging Analysis

The following tables display an aging analysis of the total amortized cost of our HFI mortgage loans by portfolio segment and class of financing receivable, excluding loans for which we have elected the fair value option.

	As of September 30, 2026							
	30 - 59 Days Delinquent	60 - 89 Days Delinquent	Seriously Delinquent[1]	Total Delinquent	Current	Total	Loans 90 Days or More Delinquent and Accruing Interest	Nonaccrual Loans with No Allowance[2]
	(Dollars in millions)							
Single-family:								
20- and 30-year or more, amortizing fixed-rate	$ 35,302	$ 10,101	$ 22,389	$ 67,792	$ 3,174,106	$ 3,241,898	$ 90	$ 4,029
15-year or less, amortizing fixed-rate	1,287	296	551	2,134	291,966	294,100	3	246
Adjustable-rate	175	46	92	313	35,057	35,370	—	15
Other[3]	402	114	314	830	14,957	15,787	10	119
Total single-family	37,166	10,557	23,346	71,069	3,516,086	3,587,155	103	4,409
Multifamily[4]	615	N/A	2,738	3,353	530,677	534,030	69	1,957
Total	$ 37,781	$ 10,557	$ 26,084	$ 74,422	$ 4,046,763	$ 4,121,185	$ 172	$ 6,366

	As of December 31, 2025							
	30 - 59 Days Delinquent	60 - 89 Days Delinquent	Seriously Delinquent[1]	Total Delinquent	Current	Total	Loans 90 Days or More Delinquent and Accruing Interest	Nonaccrual Loans with No Allowance[2]
	(Dollars in millions)							
Single-family:								
20- and 30-year or more, amortizing fixed-rate	$ 33,764	$ 10,205	$ 20,857	$ 64,826	$ 3,175,684	$ 3,240,510	$ 171	$ 3,713
15-year or less, amortizing fixed-rate	1,313	310	547	2,170	320,414	322,584	7	193
Adjustable-rate	155	43	96	294	28,312	28,606	1	17
Other[3]	455	127	354	936	16,690	17,626	12	133
Total single-family	35,687	10,685	21,854	68,226	3,541,100	3,609,326	191	4,056
Multifamily[4]	519	N/A	3,240	3,759	520,194	523,953	18	1,985
Total	$ 36,206	$ 10,685	$ 25,094	$ 71,985	$ 4,061,294	$ 4,133,279	$ 209	$ 6,041

(1) Single-family seriously delinquent loans are loans that are 90 days or more past due or in the foreclosure process. Multifamily seriously delinquent loans are loans that are 60 days or more past due.

(2) Primarily consists of loans for which we have recorded write-offs upon determining that amounts are uncollectible, resulting in the removal of the associated allowance for loan losses.

(3) Reverse mortgage loans included in “Other” are not aged due to their nature and are included in the current column.

(4) Multifamily loans 60-89 days delinquent are included in the seriously delinquent column.

The amortized cost of single-family mortgage loans for which formal foreclosure proceedings were in process was $6.3 billion and $5.4 billion as of September 30, 2026 and December 31, 2025, respectively. As a result of our various loss

mitigation and foreclosure prevention efforts, we expect that only a portion of the loans in the process of formal foreclosure proceedings will ultimately foreclose.

Credit Quality Indicators and Write-offs by Year of Origination

The estimated mark-to-market loan-to-value ("LTV") ratio is a primary factor we consider when estimating our allowance for loan losses for single-family loans. As LTV ratios increase, the borrower's equity in the home decreases, which may negatively affect the borrower's ability to refinance or to sell the property for an amount at or above the outstanding balance of the loan.

The following tables display information about the credit quality of our single-family mortgage loans as well as write-offs by class of financing receivable and year of origination.

	Credit Quality Indicators as of September 30, 2026 and Write-offs for the Nine Months Ended September 30, 2026, by Year of Origination[1]						
	2026	2025	2024	2023	2022	Prior	Total
	(Dollars in millions)						
Estimated mark-to-market LTV ratio:[2]							
20- and 30-year or more, amortizing fixed-rate:							
Less than or equal to 80%	$ 129,927	$ 161,662	$ 142,474	$ 132,415	$ 295,080	$ 1,960,287	$ 2,821,845
Greater than 80% and less than or equal to 90%	40,071	61,243	56,284	38,581	41,221	13,301	250,701
Greater than 90% and less than or equal to 100%	59,495	47,437	25,610	12,803	11,706	2,382	159,433
Greater than 100%	73	1,009	2,428	2,526	3,224	659	9,919
Total 20- and 30-year or more, amortizing fixed-rate	229,566	271,351	226,796	186,325	351,231	1,976,629	3,241,898
Current-year 20- and 30-year or more, amortizing fixed-rate write-offs	2	48	70	75	132	193	520
15-year or less, amortizing fixed-rate:							
Less than or equal to 80%	13,465	13,820	5,751	4,306	23,676	229,502	290,520
Greater than 80% and less than or equal to 90%	1,260	1,113	235	52	46	3	2,709
Greater than 90% and less than or equal to 100%	623	213	22	5	5	—	868
Greater than 100%	—	1	1	1	—	—	3
Total 15-year or less, amortizing fixed-rate	15,348	15,147	6,009	4,364	23,727	229,505	294,100
Current-year 15-year or less, amortizing fixed-rate write-offs	—	1	1	1	1	3	7
Adjustable-rate:							
Less than or equal to 80%	5,932	5,268	1,166	1,396	3,664	11,166	28,592
Greater than 80% and less than or equal to 90%	1,626	1,536	382	334	458	31	4,367
Greater than 90% and less than or equal to 100%	1,128	805	138	104	126	7	2,308
Greater than 100%	—	7	14	30	50	2	103
Total adjustable-rate	8,686	7,616	1,700	1,864	4,298	11,206	35,370
Current-year adjustable-rate write-offs	—	—	—	—	1	1	2
Other:							
Less than or equal to 80%	—	—	—	—	—	13,249	13,249
Greater than 80% and less than or equal to 90%	—	—	—	—	—	38	38
Greater than 90% and less than or equal to 100%	—	—	—	—	—	14	14
Greater than 100%	—	—	—	—	—	19	19
Total other	—	—	—	—	—	13,320	13,320
Current-year other write-offs	—	—	—	—	—	6	6
Total for all classes by LTV ratio:[2]							
Less than or equal to 80%	$ 149,324	$ 180,750	$ 149,391	$ 138,117	$ 322,420	$ 2,214,204	$ 3,154,206
Greater than 80% and less than or equal to 90%	42,957	63,892	56,901	38,967	41,725	13,373	257,815
Greater than 90% and less than or equal to 100%	61,246	48,455	25,770	12,912	11,837	2,403	162,623
Greater than 100%	73	1,017	2,443	2,557	3,274	680	10,044
Total	$ 253,600	$ 294,114	$ 234,505	$ 192,553	$ 379,256	$ 2,230,660	$ 3,584,688
Total current-year write-offs	$ 2	$ 49	$ 71	$ 76	$ 134	$ 203	$ 535

	Credit Quality Indicators as of December 31, 2025 and Write-offs for the Year Ended December 31, 2025, by Year of Origination[1]						
	2025	2024	2023	2022	2021	Prior	Total
	(Dollars in millions)						
Estimated mark-to-market LTV ratio:[2]							
20- and 30-year or more, amortizing fixed-rate:							
Less than or equal to 80%	$ 145,040	$ 152,418	$ 142,942	$ 306,573	$ 792,049	$ 1,301,401	$ 2,840,423
Greater than 80% and less than or equal to 90%	54,527	62,451	52,313	53,203	14,848	2,790	240,132
Greater than 90% and less than or equal to 100%	69,983	44,582	18,590	15,374	2,184	517	151,230
Greater than 100%	566	2,035	2,314	3,137	479	194	8,725
Total 20- and 30-year or more, amortizing fixed-rate	270,116	261,486	216,159	378,287	809,560	1,304,902	3,240,510
Current-year 20- and 30-year or more, amortizing fixed-rate write-offs	5	56	92	176	106	242	677
15-year or less, amortizing fixed-rate:							
Less than or equal to 80%	13,753	6,794	5,149	26,742	125,837	141,455	319,730
Greater than 80% and less than or equal to 90%	1,464	440	127	82	6	—	2,119
Greater than 90% and less than or equal to 100%	619	88	11	13	—	—	731
Greater than 100%	1	2	1	—	—	—	4
Total 15-year or less, amortizing fixed-rate	15,837	7,324	5,288	26,837	125,843	141,455	322,584
Current-year 15-year or less, amortizing fixed-rate write-offs	—	1	1	3	1	3	9
Adjustable-rate:							
Less than or equal to 80%	4,550	1,324	1,533	3,956	4,859	7,841	24,063
Greater than 80% and less than or equal to 90%	1,493	442	432	560	32	4	2,963
Greater than 90% and less than or equal to 100%	987	206	131	165	9	1	1,499
Greater than 100%	2	3	24	51	1	—	81
Total adjustable-rate	7,032	1,975	2,120	4,732	4,901	7,846	28,606
Current-year adjustable-rate write-offs	—	—	1	1	—	—	2
Other:							
Less than or equal to 80%	—	—	—	—	—	14,701	14,701
Greater than 80% and less than or equal to 90%	—	—	—	—	—	45	45
Greater than 90% and less than or equal to 100%	—	—	—	—	—	21	21
Greater than 100%	—	—	—	—	—	21	21
Total other	—	—	—	—	—	14,788	14,788
Current-year other write-offs	—	—	—	—	—	35	35
Total for all classes by LTV ratio:[2]							
Less than or equal to 80%	$ 163,343	$ 160,536	$ 149,624	$ 337,271	$ 922,745	$ 1,465,398	$ 3,198,917
Greater than 80% and less than or equal to 90%	57,484	63,333	52,872	53,845	14,886	2,839	245,259
Greater than 90% and less than or equal to 100%	71,589	44,876	18,732	15,552	2,193	539	153,481
Greater than 100%	569	2,040	2,339	3,188	480	215	8,831
Total	$ 292,985	$ 270,785	$ 223,567	$ 409,856	$ 940,304	$ 1,468,991	$ 3,606,488
Total current-year write-offs	$ 5	$ 57	$ 94	$ 180	$ 107	$ 280	$ 723

(1) Excludes amortized cost of $2.5 billion and $2.8 billion as of September 30, 2026 and December 31, 2025, respectively, of mortgage loans guaranteed or insured, in whole or in part, by the U.S. government or one of its agencies, which represents primarily reverse mortgages for which we do not calculate an estimated mark-to-market LTV ratio. The tables also exclude current-year write-offs of mortgage loans guaranteed or insured, in whole or in part, by the U.S. government or one of its agencies. Year of loan origination may not be the same as the period in which we subsequently acquired the loan.

(2) The aggregate estimated mark-to-market LTV ratio is based on the UPB of the loan divided by the estimated current value of the property as of the end of each reported period, which we calculate using an internal valuation model that is used in our home price forecast to estimate periodic changes in home value.

The following tables display the total amortized cost of our multifamily mortgage loans by year of origination and credit-risk rating. Property rental income and property valuations are key inputs to our internally assigned credit risk ratings. The tables below also include current year write-offs of our multifamily mortgage loans by year of origination.

	Credit Quality Indicators as of September 30, 2026 and Write-offs for the Nine Months Ended September 30, 2026, by Year of Origination[1]						
	2026	2025	2024	2023	2022	Prior	Total
	(Dollars in millions)						
Internally assigned credit risk rating:							
Pass[2]	$ 34,557	$ 76,765	$ 50,995	$ 46,902	$ 48,779	$ 246,517	$ 504,515
Special mention[3]	28	21	67	128	195	764	1,203
Substandard[4]	26	887	2,891	4,160	5,745	14,590	28,299
Doubtful[5]	—	13	—	—	—	—	13
Total	$ 34,611	$ 77,686	$ 53,953	$ 51,190	$ 54,719	$ 261,871	$ 534,030
Current-year write-offs	$ —	$ —	$ 36	$ 171	$ 123	$ 274	$ 604

	Credit Quality Indicators as of December 31, 2025 and Write-offs for the Year Ended December 31, 2025, by Year of Origination[1]						
	2025	2024	2023	2022	2021	Prior	Total
	(Dollars in millions)						
Internally assigned credit risk rating:							
Pass[2]	$ 67,503	$ 52,368	$ 48,990	$ 49,486	$ 58,248	$ 218,704	$ 495,299
Special mention[3]	—	187	124	155	246	793	1,505
Substandard[4]	378	1,920	3,753	6,567	3,291	11,239	27,148
Doubtful[5]	—	—	—	—	—	1	1
Total	$ 67,881	$ 54,475	$ 52,867	$ 56,208	$ 61,785	$ 230,737	$ 523,953
Current-year write-offs	$ —	$ 17	$ 111	$ 108	$ 66	$ 168	$ 470

(1) Year of loan origination may not be the same as the period in which we subsequently acquired the loan.

(2) A loan categorized as “Pass” is current or adequately protected by the current financial strength and debt service capability of the borrower.

(3) “Special mention” refers to loans that are otherwise performing but have potential weaknesses that, if left uncorrected, may result in deterioration in the borrower’s ability to repay in full.

(4) “Substandard” refers to loans that have a well-defined weakness that jeopardizes the timely full repayment.

(5) “Doubtful” refers to a loan with a weakness that makes collection or liquidation in full highly questionable and improbable based on existing conditions and values.

Loss Mitigation Options for Borrowers Experiencing Financial Difficulty

As part of our loss mitigation activities, we offer several types of loan restructurings to assist borrowers who experience financial difficulties. We do not typically offer principal forgiveness to our single-family or multifamily borrowers. Below we provide disclosures relating to loan restructurings where borrowers were experiencing financial difficulty, including restructurings that resulted in an insignificant payment delay. The disclosures exclude loans classified as HFS and those for which we have elected the fair value option. See “Note 1, Summary of Significant Accounting Policies” in our 2025 Form 10-K for additional information on our accounting policies for single-family and multifamily loans that have been restructured. Also see “Note 4, Mortgage Loans” in our 2025 Form 10-K for additional information about our single-family and multifamily loss mitigation options.

Restructurings for Borrowers Experiencing Financial Difficulty

The following tables display the amortized cost of HFI mortgage loans that were restructured, during the periods indicated, presented by portfolio segment and class of financing receivable.

	For the Three Months Ended September 30, 2026						
	Payment Delay (Only)						
	Forbearance Plan	Payment Deferral	Trial Modification and Repayment Plans	Payment Delay and Term Extension[1]	Payment Delay, Term Extension, Interest Rate Reduction, and Other[1]	Total	Percentage of Total by Financing Class[2]
	(Dollars in millions)						
Single-family:							
20- and 30-year or more, amortizing fixed-rate	$ 5,939	$ 2,094	$ 5,093	$ 2,498	$ 643	$ 16,267	1 %
15-year or less, amortizing fixed-rate	162	47	133	59	3	404	*
Adjustable-rate	44	5	14	—	—	63	*
Other	32	18	29	15	4	98	1
Total single-family	6,177	2,164	5,269	2,572	650	16,832	*
Multifamily	—	—	—	—	299	299	*
Total[3]	$ 6,177	$ 2,164	$ 5,269	$ 2,572	$ 949	$ 17,131	*

	For the Nine Months Ended September 30, 2026						
	Payment Delay (Only)						
	Forbearance Plan	Payment Deferral	Trial Modification and Repayment Plans	Payment Delay and Term Extension[1]	Payment Delay, Term Extension, Interest Rate Reduction, and Other[1]	Total	Percentage of Total by Financing Class[2]
	(Dollars in millions)						
Single-family:							
20- and 30-year or more, amortizing fixed-rate	$ 9,366	$ 6,824	$ 8,964	$ 7,400	$ 1,498	$ 34,052	1 %
15-year or less, amortizing fixed-rate	270	163	245	163	6	847	*
Adjustable-rate	66	24	27	—	1	118	*
Other	55	58	65	45	14	237	2
Total single-family	9,757	7,069	9,301	7,608	1,519	35,254	1
Multifamily	9	—	—	—	726	735	*
Total[3]	$ 9,766	$ 7,069	$ 9,301	$ 7,608	$ 2,245	$ 35,989	1

	For the Three Months Ended September 30, 2025						
	Payment Delay (Only)						
	Forbearance Plan	Payment Deferral	Trial Modification and Repayment Plans	Payment Delay and Term Extension[1]	Payment Delay, Term Extension, Interest Rate Reduction, and Other[1]	Total	Percentage of Total by Financing Class[2]
	(Dollars in millions)						
Single-family:							
20- and 30-year or more, amortizing fixed-rate	$ 4,809	$ 2,404	$ 5,277	$ 2,837	$ 226	$ 15,553	*
15-year or less, amortizing fixed-rate	155	70	140	53	2	420	*
Adjustable-rate	26	6	18	—	1	51	*
Other	24	24	44	19	5	116	1 %
Total single-family	5,014	2,504	5,479	2,909	234	16,140	*
Multifamily	474	—	—	—	115	589	*
Total[3]	$ 5,488	$ 2,504	$ 5,479	$ 2,909	$ 349	$ 16,729	*

	For the Nine Months Ended September 30, 2025						
	Payment Delay (Only)						
	Forbearance Plan	Payment Deferral	Trial Modification and Repayment Plans	Payment Delay and Term Extension[1]	Payment Delay, Term Extension, Interest Rate Reduction, and Other[1]	Total	Percentage of Total by Financing Class[2]
	(Dollars in millions)						
Single-family:							
20- and 30-year or more, amortizing fixed-rate	$ 7,866	$ 8,268	$ 9,312	$ 8,427	$ 575	$ 34,448	1 %
15-year or less, amortizing fixed-rate	272	256	269	90	3	890	*
Adjustable-rate	45	27	34	—	5	111	*
Other	45	79	94	57	20	295	2
Total single-family	8,228	8,630	9,709	8,574	603	35,744	1
Multifamily	587	—	—	—	138	725	*
Total[3]	$ 8,815	$ 8,630	$ 9,709	$ 8,574	$ 741	$ 36,469	1

* Represents less than 0.5% of total by financing class.

(1) Represents loans that received a contractual modification.

(2) Based on the amortized cost basis as of period end, divided by the period-end amortized cost basis of the corresponding class of financing receivable.

(3) Excludes $324 million and $1.3 billion for the three and nine months ended September 30, 2026, respectively, and $341 million and $1.2 billion for the three and nine months ended September 30, 2025, respectively, for loans that were the subject of loss mitigation activity during the period that paid off, were repurchased or were sold prior to period end. Also excludes loans that liquidated either through foreclosure, deed-in-lieu of foreclosure, or a short sale. Loans may move from one category to another, as a result of the restructuring(s) they received during the period.

The following tables summarize the financial impacts of loan modifications and payment deferrals made to single-family HFI loans presented by class of financing receivable. We discuss the qualitative impacts of forbearance plans, repayment plans, and trial modifications in our 2025 Form 10-K in “Note 4, Mortgage Loans.” As a result, those loss mitigation options are excluded from the table below.

	For the Three Months Ended September 30,					
	2026			2025		
	Weighted-Average Interest Rate Reduction	Weighted-Average Term Extension (in Months)	Average Amount Capitalized as a Result of a Payment Delay[1]	Weighted-Average Interest Rate Reduction	Weighted-Average Term Extension (in Months)	Average Amount Capitalized as a Result of a Payment Delay[1]
Loan by class of financing receivable:[2]						
20- and 30-year or more, amortizing fixed-rate	**0.83 %**	**144**	**$ 14,493**	0.54 %	142	$ 13,469
15-year or less, amortizing fixed-rate	**0.69**	**52**	**11,300**	0.87	50	10,061
Adjustable-rate	**0.23**	**—**	**8,630**	1.19	—	9,970
Other	**0.53**	**125**	**10,724**	0.67	131	14,735

	For the Nine Months Ended September 30,					
	2026			2025		
	Weighted-Average Interest Rate Reduction	Weighted-Average Term Extension (in Months)	Average Amount Capitalized as a Result of a Payment Delay[1]	Weighted-Average Interest Rate Reduction	Weighted-Average Term Extension (in Months)	Average Amount Capitalized as a Result of a Payment Delay[1]
Loan by class of financing receivable:[2]						
20- and 30-year or more, amortizing fixed-rate	**0.77 %**	**144**	**$ 14,114**	0.58 %	148	$ 13,162
15-year or less, amortizing fixed-rate	**0.84**	**53**	**11,062**	1.02	51	9,642
Adjustable-rate	**0.54**	**—**	**11,010**	1.09	—	10,115
Other	**1.09**	**138**	**13,855**	1.05	150	13,571

(1) Represents the average amount of delinquency-related amounts that were capitalized as part of the loan balance. Amounts are in whole dollars.

(2) Excludes the financial effects of modifications for loans that were paid off or otherwise liquidated as of period end.

The following tables display the amortized cost of HFI loans that defaulted during the period and had received a completed modification or payment deferral in the twelve months prior to the payment default. For purposes of this disclosure, we define loans that had a payment default as single-family loans with completed modifications that are two or more months delinquent during the period; or multifamily loans with completed modifications that are one or more months delinquent during the period. For loans that receive a forbearance plan, repayment plan or trial modification, these loss mitigation options generally remain in default until the loan is no longer delinquent as a result of the payment of all past-due amounts or as a result of a loan modification or payment deferral. Therefore, forbearance plans, repayment plans and trial modifications are not included in default tables below.

	For the Three Months Ended September 30, 2026			
	Payment Delay as a Result of a Payment Deferral (Only)	Payment Delay and Term Extension	Payment Delay, Term Extension, Interest Rate Reduction and Other	Total
	(Dollars in millions)			
Single-family:				
20- and 30-year or more, amortizing fixed-rate	$ 1,202	$ 1,005	$ 150	$ 2,357
15-year or less, amortizing fixed-rate	27	17	—	44
Adjustable-rate	3	—	—	3
Other	11	6	2	19
Total single-family	1,243	1,028	152	2,423
Multifamily	—	—	—	—
Total loans that subsequently defaulted[1][2]	$ 1,243	$ 1,028	$ 152	$ 2,423

	For the Nine Months Ended September 30, 2026			
	Payment Delay as a Result of a Payment Deferral (Only)	Payment Delay and Term Extension	Payment Delay, Term Extension, Interest Rate Reduction and Other	Total
	(Dollars in millions)			
Single-family:				
20- and 30-year or more, amortizing fixed-rate	$ 2,429	$ 2,051	$ 261	$ 4,741
15-year or less, amortizing fixed-rate	59	29	1	89
Adjustable-rate	5	—	1	6
Other	21	13	5	39
Total single-family	2,514	2,093	268	4,875
Multifamily	—	—	—	—
Total loans that subsequently defaulted[1][2]	$ 2,514	$ 2,093	$ 268	$ 4,875

	For the Three Months Ended September 30, 2025			
	Payment Delay as a Result of a Payment Deferral (Only)	Payment Delay and Term Extension	Payment Delay, Term Extension and Interest Rate Reduction	Total
	(Dollars in millions)			
Single-family:				
20- and 30-year or more, amortizing fixed-rate	$ 1,280	$ 1,021	$ 57	$ 2,358
15-year or less, amortizing fixed-rate	32	3	—	35
Adjustable-rate	2	—	1	3
Other	14	6	5	25
Total single-family	1,328	1,030	63	2,421
Multifamily	—	—	21	21
Total loans that subsequently defaulted[1][2]	$ 1,328	$ 1,030	$ 84	$ 2,442

	For the Nine Months Ended September 30, 2025			
	Payment Delay as a Result of a Payment Deferral (Only)	Payment Delay and Term Extension	Payment Delay, Term Extension and Interest Rate Reduction	Total
	(Dollars in millions)			
Single-family:				
20- and 30-year or more, amortizing fixed-rate	$ 2,631	$ 1,863	$ 85	$ 4,579
15-year or less, amortizing fixed-rate	65	3	—	68
Adjustable-rate	6	—	3	9
Other	26	12	7	45
Total single-family	2,728	1,878	95	4,701
Multifamily	—	—	21	21
Total loans that subsequently defaulted[1][2]	$ 2,728	$ 1,878	$ 116	$ 4,722

(1) Represents amortized cost as of period end. Excludes loans that liquidated either through foreclosure, deed-in-lieu of foreclosure, or a short sale.

(2) The substantial majority of loans that received a completed modification or a payment deferral during the three months ended September 30, 2026 did not default during the third quarter of 2026. The substantial majority of loans that received a completed modification or a payment deferral during the three months ended September 30, 2025 did not default during the third quarter of 2025.

The following tables display an aging analysis of HFI mortgage loans that were restructured during the twelve months prior to September 30, 2026 and September 30, 2025, respectively, presented by portfolio segment and class of financing receivable.

	As of September 30, 2026[1]					
	30-59 Days Delinquent	60-89 Days Delinquent[2]	Seriously Delinquent	Total Delinquent	Current	Total
	(Dollars in millions)					
Single-family:						
20- and 30-year or more, amortizing fixed-rate	$ 4,670	$ 3,026	$ 13,677	$ 21,373	$ 15,550	$ 36,923
15-year or less, amortizing fixed-rate	107	74	324	505	484	989
Adjustable-rate	13	12	50	75	61	136
Other	39	26	85	150	102	252
Total single-family loans modified	4,829	3,138	14,136	22,103	16,197	38,300
Multifamily	—	N/A	9	9	728	737
Total loans restructured[3]	$ 4,829	$ 3,138	$ 14,145	$ 22,112	$ 16,925	$ 39,037

	As of September 30, 2025[1]					
	30-59 Days Delinquent	60-89 Days Delinquent[2]	Seriously Delinquent	Total Delinquent	Current	Total
	(Dollars in millions)					
Single-family:						
20- and 30-year or more, amortizing fixed-rate	$ 4,456	$ 2,818	$ 12,807	$ 20,081	$ 15,529	$ 35,610
15-year or less, amortizing fixed-rate	98	70	339	507	428	935
Adjustable-rate	12	10	51	73	47	120
Other	44	34	103	181	136	317
Total single-family loans modified	4,610	2,932	13,300	20,842	16,140	36,982
Multifamily	11	N/A	538	549	540	1,089
Total loans restructured[3]	$ 4,621	$ 2,932	$ 13,838	$ 21,391	$ 16,680	$ 38,071

(1) As of September 30, 2026, the substantial majority of loans that received a completed modification or a payment deferral during the third quarter of 2026 were not delinquent as of September 30, 2026. As of September 30, 2025, the substantial majority of loans that received a completed modification or a payment deferral during the third quarter of 2025 were not delinquent as of September 30, 2025.

(2) Multifamily loans 60-89 days delinquent are included in the seriously delinquent column.

(3) Represents the amortized cost basis as of period end.

Nonaccrual Loans

We recognize interest income on an accrual basis except when we believe the collection of principal and interest is not reasonably assured, at which time a loan is placed on nonaccrual status. See "Note 1, Summary of Significant Accounting Policies" in our 2025 Form 10-K for additional information on our accounting policies for single-family and multifamily nonaccrual loans.

The table below displays the accrued interest receivable written off through the reversal of interest income from nonaccrual loans.

	For the Three Months Ended September 30,		For the Nine Months Ended September 30,	
	2026	2025	2026	2025
	(Dollars in millions)			
Accrued interest receivable written off through the reversal of interest income:				
Single-family	**$ 125**	$ 101	**$ 348**	$ 295
Multifamily	**9**	11	**19**	25

The tables below include the amortized cost of and interest income recognized on mortgage loans on nonaccrual status, presented by portfolio segment and class of financing receivable.

	As of			For the Three Months Ended September 30, 2026	For the Nine Months Ended September 30, 2026
	September 30, 2026	June 30, 2026	December 31, 2025		
	Amortized Cost[1]			Total Interest Income Recognized[2]	
	(Dollars in millions)				
Single-family:					
20- and 30-year or more, amortizing fixed-rate	**$ 27,753**	$ 27,139	$ 26,221	**$ 40**	**$ 337**
15-year or less, amortizing fixed-rate	**672**	680	692	**1**	**6**
Adjustable-rate	**114**	111	114	**—**	**2**
Other	**373**	398	421	**1**	**5**
Total single-family	**28,912**	28,328	27,448	**42**	**350**
Multifamily	**3,057**	3,091	3,312	**6**	**23**
Total nonaccrual loans	**$ 31,969**	$ 31,419	$ 30,760	**$ 48**	**$ 373**

	As of			For the Three Months Ended September 30, 2025	For the Nine Months Ended September 30, 2025
	September 30, 2025	June 30, 2025	December 31, 2024		
	Amortized Cost[1]			Total Interest Income Recognized[2]	
	(Dollars in millions)				
Single-family:					
20- and 30-year or more, amortizing fixed-rate	$ 24,936	$ 25,423	$ 25,218	$ 45	$ 295
15-year or less, amortizing fixed-rate	689	736	770	1	6
Adjustable-rate	108	114	114	—	2
Other	408	428	482	1	5
Total single-family	26,141	26,701	26,584	47	308
Multifamily	2,894	2,862	2,517	5	23
Total nonaccrual loans	$ 29,035	$ 29,563	$ 29,101	$ 52	$ 331

(1) Amortized cost is presented net of any write-offs, which are recognized when a loan balance is deemed uncollectible.

(2) Interest income recognized includes amortization of any deferred cost basis adjustments while the loan is performing and that is not reversed when the loan is placed on nonaccrual status. For single-family, interest income recognized includes payments received on nonaccrual loans held as of period end.

5. Allowance for Credit Losses

We maintain an allowance for credit losses for HFI loans held by Fannie Mae and by consolidated Fannie Mae MBS trusts, excluding loans for which we have elected the fair value option. In addition, we maintain allowances for credit losses on advances of pre-foreclosure costs, accrued interest receivable, guaranty loss reserves, and credit reserves on AFS debt securities. We collectively refer to these allowances as our "allowance for credit losses."

The following table displays changes in single-family and multifamily allowance for credit losses and the total allowance for credit losses as well as the components of the single-family and multifamily allowance for credit losses.

	For the Three Months Ended September 30,		For the Nine Months Ended September 30,	
	2026	2025	2026	2025
	(Dollars in millions)			
Single-family allowance for credit losses:				
Beginning balance	**$ (6,345)**	$ (5,985)	**$ (6,272)**	$ (5,487)
(Provision) benefit for credit losses	**(694)**	(269)	**(1,023)**	(1,030)
Write-offs	**181**	241	**546**	598
Recoveries	**(67)**	(51)	**(176)**	(145)
Ending balance	**$ (6,925)**	$ (6,064)	**$ (6,925)**	$ (6,064)
Multifamily allowance for credit losses:				
Beginning balance	**$ (2,408)**	$ (2,486)	**$ (2,320)**	$ (2,399)
(Provision) benefit for credit losses	**(446)**	(69)	**(879)**	(278)
Write-offs	**160**	167	**604**	350
Recoveries	**(40)**	(25)	**(139)**	(86)
Ending balance	**$ (2,734)**	$ (2,413)	**$ (2,734)**	$ (2,413)
Total allowance for credit losses:				
Beginning balance	**$ (8,753)**	$ (8,471)	**$ (8,592)**	$ (7,886)
(Provision) benefit for credit losses	**(1,140)**	(338)	**(1,902)**	(1,308)
Write-offs	**341**	408	**1,150**	948
Recoveries	**(107)**	(76)	**(315)**	(231)
Ending balance	**$ (9,659)**	$ (8,477)	**$ (9,659)**	$ (8,477)

Components of allowance for credit losses:

	As of	
	September 30, 2026	December 31, 2025
	(Dollars in millions)	
Single-family allowance for credit losses:		
Allowance for loan losses	**$ (6,694)**	$ (6,056)
Other[1]	**(231)**	(216)
Total	**$ (6,925)**	$ (6,272)
Multifamily allowance for credit losses:		
Allowance for loan losses	**$ (2,721)**	$ (2,308)
Other[1]	**(13)**	(12)
Total	**$ (2,734)**	$ (2,320)
Total allowance for credit losses:		
Allowance for loan losses	**$ (9,415)**	$ (8,364)
Other[1]	**(244)**	(228)
Total	**$ (9,659)**	$ (8,592)

[1] Consists of allowance for credit losses on advances of pre-foreclosure costs, accrued interest receivable, our guaranty loss reserves, and credit reserves on our AFS debt securities. Pre-foreclosure costs represent advances for property taxes and insurance receivables.

Our estimate of credit losses can vary substantially from period to period due to factors such as changes in actual and forecasted home prices, property valuations, and fluctuations in actual and forecasted interest rates. Other drivers include: the volume and credit risk profile of our new acquisitions; borrower payment behavior; events such as natural disasters or pandemics; the type, volume and effectiveness of our loss mitigation activities, including forbearances and loan modifications; the volume of completed foreclosures; and the volume and pricing of loans redesignated from HFI to HFS. In addition, updates to the models, assumptions, and data used in determining our estimate for credit losses can impact our allowance. Changes in our estimate of credit losses are recognized as "(Provision) benefit for credit losses" in our consolidated statements of operations and comprehensive income.

Our single-family provision for credit losses for the three months ended September 30, 2026 was primarily driven by higher actual and projected interest rates, which extend the expected life of the loans, provision related to loans acquired during the period for our single-family guaranty book of business, and loans that became newly delinquent.

Our single-family provision for credit losses for the nine months ended September 30, 2026 was primarily driven by provision related to loans acquired during the period for our single-family guaranty book of business, loans that became newly delinquent, and higher actual and projected interest rates.

For both the three and nine months ended September 30, 2026, these factors were partially offset by benefits from actual home price growth and loans liquidating from our single-family guaranty book of business.

Our single-family provision for credit losses for the three months ended September 30, 2025 was primarily driven by provision associated with loans that we acquired during the period, which primarily consisted of purchase loans.

Our single-family provision for credit losses for the nine months ended September 30, 2025 was primarily driven by provision associated with loans that we acquired during the period, which primarily consisted of purchase loans, and by weaker-than-expected home price growth.

Our multifamily provision for credit losses for the three and nine months ended September 30, 2026 was primarily driven by weakening credit metrics on loans in our multifamily guaranty book of business and a decline in our near-term forecast for multifamily property values. The deterioration in credit metrics primarily reflected higher mark-to-market LTV ratios on multifamily properties, loans with lower debt service coverage ratios driven by lower net operating income reported for the underlying properties, and new loan delinquencies. Higher actual and projected interest rates were also a primary driver of provision for each period.

Our multifamily provision for loan losses for the three and nine months ended September 30, 2025 was primarily driven by an increase in delinquencies including provision from seriously delinquent loans that were written down to the net recoverable amount of the loans' collateral during the period.

6. Investments in Securities

We classify and account for our investments in securities as either trading or available-for-sale ("AFS"). See "Note 1, Summary of Significant Accounting Policies" in our 2025 Form 10-K for additional information on our accounting policies regarding our investments in securities. The following table displays our investments in securities.

	As of	
	September 30, 2026	December 31, 2025
Trading securities:	(Dollars in millions)	
Mortgage-related securities (includes $1.3 billion and $522 million, respectively, related to consolidated trusts)[1]	**$ 23,069**	$ 14,291
Non-mortgage-related securities[2]	**40,087**	55,223
Total trading securities	**63,156**	69,514
Available-for-sale securities:		
Mortgage-related securities (amortized cost of $627 million and $400 million, respectively)[1]	**570**	375
Non-mortgage-related securities (amortized cost of $38.5 billion and $0, respectively)[2]	**36,997**	—
Total available-for-sale securities	**37,567**	375
Total investments in securities	**$ 100,723**	$ 69,889

(1) Primarily consists of Fannie Mae, Freddie Mac, and Ginnie Mae mortgage-related securities.

(2) Consists of U.S. Treasury securities.

The following table displays information about our net trading gains (losses).

	For the Three Months Ended September 30,		For the Nine Months Ended September 30,	
	2026	2025	2026	2025
	(Dollars in millions)			
Net trading gains (losses)	**$ (1,545)**	$ 296	**$ (2,043)**	$ 1,279
Net trading gains (losses) recognized in the period related to securities still held at period end	**(1,539)**	257	**(2,041)**	1,044

Net unrealized losses on our AFS investment portfolio recorded in accumulated other comprehensive income (loss) were $1.6 billion and $23 million as of September 30, 2026 and December 31, 2025, respectively. The unrealized losses on our AFS investment portfolio were primarily attributable to non-mortgage-related securities, consisting of fixed-rate U.S. Treasury security investments. These unrealized losses resulted from increases in interest rates, rather than credit deterioration. We neither have an intention to sell nor do we expect to be required to sell these U.S. Treasury security investments. The allowance for credit losses on our AFS investment portfolio was not significant as of September 30, 2026 or December 31, 2025.

For the three and nine months ended September 30, 2026, we had $99 million and $4.2 billion in proceeds from sales of AFS securities, respectively, resulting in gross realized losses of less than $1 million and $26 million, respectively. There were no sales of AFS securities during the three and nine months ended September 30, 2025.

The following table displays the amortized cost and fair value of our AFS securities by major security type and remaining contractual maturity, assuming no principal prepayments. The contractual maturity of mortgage-backed securities is not a reliable indicator of their expected life because borrowers generally have the right to prepay their obligations at any time. U.S. Treasury securities do not have prepayment risk, and their contractual maturities are indicative of their expected life.

	As of September 30, 2026									
			One Year or Less		After One Year Through Five Years		After Five Years Through Ten Years		After Ten Years	
	Total Amortized Cost	Total Fair Value	Amortized Cost	Fair Value	Amortized Cost	Fair Value	Amortized Cost	Fair Value	Amortized Cost	Fair Value
	(Dollars in millions)									
Mortgage-related securities[1]	$ 625	$ 570	$ —	$ —	$ 7	$ 7	$ 115	$ 114	$ 503	$ 449
Non-mortgage-related securities	38,546	36,997	—	—	33,982	32,660	4,564	4,337	—	—
Total	$ 39,171	$ 37,567	$ —	$ —	$ 33,989	$ 32,667	$ 4,679	$ 4,451	$ 503	$ 449
Weighted-average interest rate [2]	4.00 %		— %		3.97 %		4.11 %		5.18 %	

(1) Amortized cost of mortgage-related securities is presented net of the allowance for credit losses on AFS debt securities.

(2) Weighted-average interest rate includes the effects of discounts, premiums and other cost basis adjustments.

7. Financial Guarantees

We recognize a guaranty obligation for our obligation to stand ready to perform on our guarantees to unconsolidated trusts and other guaranty arrangements. These off-balance sheet guarantees expose us to credit losses primarily relating to the UPB of our unconsolidated Fannie Mae MBS and other financial guarantees. As of September 30, 2026, the maximum remaining contractual term of our guarantees was 29 years; however, the actual term of each guaranty may be significantly less than the contractual term based on the prepayment characteristics of the related mortgage loans. We measure our guaranty reserve for estimated credit losses for off-balance sheet exposures over the contractual period for which they are exposed to the credit risk, unless that obligation is unconditionally cancellable by the issuer.

As the guarantor of structured securities backed in whole or in part by Freddie Mac-issued securities, we extend our guaranty to the underlying Freddie Mac securities in our resecuritization trusts. However, Freddie Mac continues to guarantee the payment of principal and interest on the underlying Freddie Mac securities that we have resecuritized. When we began issuing UMBS, we entered into an indemnification agreement under which Freddie Mac agreed to indemnify us for losses caused by its failure to meet its payment or other specified obligations under the trust agreements pursuant to which the underlying resecuritized securities were issued. As a result, and due to the funding commitment available to Freddie Mac through its senior preferred stock purchase agreement with Treasury, we have concluded that the associated credit risk is negligible. Accordingly, we exclude from the following table Freddie Mac securities backing unconsolidated Fannie Mae-issued structured securities of $173.6 billion and $184.3 billion as of September 30, 2026 and December 31, 2025, respectively.

The following table displays our off-balance sheet maximum exposure, guaranty obligation recognized in our condensed consolidated balance sheets and the potential maximum recovery from third parties through available credit enhancements and recourse related to our financial guarantees.

	As of					
	September 30, 2026			December 31, 2025		
	Maximum Exposure	Guaranty Obligation	Maximum Recovery[1]	Maximum Exposure	Guaranty Obligation	Maximum Recovery[1]
	(Dollars in millions)					
Unconsolidated Fannie Mae MBS	**$ 2,028**	**$ 12**	**$ 1,994**	$ 2,229	$ 13	$ 2,187
Other guaranty arrangements[2]	**9,058**	**88**	**2,177**	9,151	83	2,132
Total	**$ 11,086**	**$ 100**	**$ 4,171**	$ 11,380	$ 96	$ 4,319

(1) Recoverability of such credit enhancements and recourse is subject to, among other factors, the ability of our mortgage insurers and the U.S. government, as a financial guarantor, to meet their obligations to us. For information on our mortgage insurers, see “Note 14, Concentrations of Credit Risk” in our 2025 Form 10-K.

(2) Primarily consists of credit enhancements and long-term standby commitments.

8. Short-Term and Long-Term Debt

Short-Term Debt

The following table displays our outstanding short-term debt (debt with an original contractual maturity of one year or less) and weighted-average interest rates of this debt.

	As of			
	September 30, 2026		December 31, 2025	
	Outstanding	Weighted- Average Interest Rate[1]	Outstanding	Weighted- Average Interest Rate[1]
	(Dollars in millions)			
Short-term debt of Fannie Mae	**$ 31,120**	**3.88 %**	$ 24,538	3.66 %

(1) Includes the effects of discounts, premiums and other cost basis adjustments.

Long-Term Debt

Long-term debt represents debt with an original contractual maturity of greater than one year. The following table displays our outstanding long-term debt.

	As of					
	September 30, 2026			December 31, 2025		
	Maturities	Outstanding[1]	Weighted-Average Interest Rate[2]	Maturities	Outstanding[1]	Weighted-Average Interest Rate[2]
		(Dollars in millions)				
Senior fixed:						
Benchmark notes and bonds	**2027 - 2030**	**$ 19,470**	**5.06 %**	2026 - 2030	$ 26,649	4.16 %
Medium-term notes[3]	**2026 - 2036**	**59,506**	**3.80**	2026 - 2035	31,430	3.25
Other[4]	**2027 - 2038**	**6,381**	**3.95**	2026 - 2038	6,609	3.87
Total senior fixed		**85,357**	**4.12**		64,688	3.70
Senior floating:						
Medium-term notes[3]	**2026 - 2028**	**51,435**	**3.86**	2026 - 2027	36,437	3.93
Other[5]	**2029 - 2037**	**819**	**9.23**	2028 - 2037	1,626	10.99
Total senior floating		**52,254**	**3.95**		38,063	4.23
Total long-term debt of Fannie Mae[6]		**137,611**	**4.06**		102,751	3.89
Debt of consolidated trusts	**2026 - 2064**	**4,000,518**	**3.24**	2026 - 2064	4,053,140	3.14
Total long-term debt		**$ 4,138,129**	**3.27 %**		$ 4,155,891	3.16 %

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

(2) Excludes the effects of fair value adjustments and hedge-related basis adjustments.

(3) Includes long-term debt with an original contractual maturity of greater than 1 year and up to 10 years, excluding zero-coupon debt.

(4) Includes other long-term debt with an original contractual maturity of greater than 10 years and foreign exchange bonds.

(5) Consists of structured debt instruments that are reported at fair value and CAS securities issued prior to November 2018.

(6) Includes unamortized discounts and premiums, fair value adjustments, hedge-related cost basis adjustments, and other cost basis adjustments in a net discount position of $2.8 billion and $2.6 billion as of September 30, 2026 and December 31, 2025, respectively.

9. Derivative Instruments

We use derivatives as part of our interest-rate risk management strategy. Our derivatives consist primarily of interest-rate swaps, interest-rate options, and forward commitments. We enter into forward purchase and sale commitments that lock in the future delivery of mortgage loans and mortgage-related securities, certain of which are accounted for as derivatives. We also account for certain credit risk transfer transactions as derivatives. See “Note 9, Derivative Instruments” in our 2025 Form 10-K for additional information on interest-rate risk management.

Pursuant to our fair value hedge accounting program, we may designate certain interest-rate swaps as fair value hedges of mortgage loans and funding debt. See “Note 1, Summary of Significant Accounting Policies–Fair Value Hedge Accounting” in our 2025 Form 10-K for additional information on our use of hedge accounting.

Notional and Fair Value Position of our Derivatives

The following table displays the notional amount and estimated fair value of our asset and liability derivative instruments, including derivative instruments designated as hedges.

	As of September 30, 2026			As of December 31, 2025		
		Estimated Fair Value			Estimated Fair Value	
	Notional Amount	Asset Derivatives	Liability Derivatives	Notional Amount	Asset Derivatives	Liability Derivatives
	(Dollars in millions)					
Risk management derivatives designated as hedging instruments:						
Swaps:[1]						
Pay-fixed	**$ 50,365**	**$ —**	**$ —**	$ 38,759	$ —	$ —
Receive-fixed	**7,186**	**—**	**—**	8,439	—	—
Total risk management derivatives designated as hedging instruments	**57,551**	**—**	**—**	47,198	—	—
Risk management derivatives not designated as hedging instruments:						
Swaps:[1]						
Pay-fixed	**167,634**	**—**	**—**	199,744	—	—
Receive-fixed	**220,497**	**42**	**(2,233)**	194,394	145	(1,082)
Basis	**250**	**—**	**(1)**	250	28	—
Foreign currency	**329**	**—**	**(63)**	334	—	(56)
Swaptions:[1]						
Pay-fixed	**33,209**	**319**	**(190)**	11,956	91	(4)
Receive-fixed	**17,821**	**11**	**(169)**	11,661	13	(114)
Futures[1]	**18,984**	**—**	**—**	11,546	—	—
Interest rate caps	**4,000**	**44**	**(9)**	—	—	—
Total risk management derivatives not designated as hedging instruments	**462,724**	**416**	**(2,665)**	429,885	277	(1,256)
Netting adjustment[2]	**—**	**(206)**	**2,641**	—	(199)	1,242
Total risk management derivatives portfolio	**520,275**	**210**	**(24)**	477,083	78	(14)
Mortgage commitment derivatives:						
Mortgage commitments to purchase whole loans	**4,260**	**—**	**(42)**	4,005	7	(1)
Forward contracts to purchase mortgage-related securities	**92,692**	**2**	**(473)**	47,122	48	(13)
Forward contracts to sell mortgage-related securities	**142,808**	**239**	**(14)**	111,868	—	(117)
Total mortgage commitment derivatives	**239,760**	**241**	**(529)**	162,995	55	(131)
Credit enhancement derivatives	**25,572**	**48**	**(3)**	27,269	44	(3)
Other derivatives	**3,891**	**—**	**(84)**	732	—	(4)
Derivatives at fair value	**$ 789,498**	**$ 499**	**$ (640)**	$ 668,079	$ 177	$ (152)

(1) Centrally cleared derivatives have no ascribable fair value because the positions are settled daily.

(2) The netting adjustment represents the effect of the legal right to offset under legally enforceable master netting arrangements to settle with the same counterparty on a net basis, including cash collateral posted and received. Cash collateral posted was $2.4 billion and $1.1 billion as of September 30, 2026 and December 31, 2025, respectively. Cash collateral received was $2 million and $27 million as of September 30, 2026 and December 31, 2025, respectively.

The following table displays, by type of derivative instrument, the fair value gains and losses, net on our derivatives.

	For the Three Months Ended September 30,		For the Nine Months Ended September 30,	
	2026	2025	2026	2025
	(Dollars in millions)			
Risk management derivatives:				
Swaps:				
Pay-fixed	**$ 4,859**	$ (43)	**$ 6,583**	$ (1,253)
Receive-fixed	**(5,793)**	362	**(7,567)**	1,979
Basis	**(30)**	7	**(24)**	8
Foreign currency	**(3)**	(9)	**(10)**	23
Swaptions:				
Pay-fixed	**65**	(79)	**49**	(94)
Receive-fixed	**(43)**	(26)	**(48)**	(35)
Futures	**553**	(1)	**784**	—
Interest rate caps	**16**	—	**16**	—
Net contractual interest income (expense) on interest-rate swaps	**(43)**	(94)	**(56)**	(495)
Total risk management derivatives fair value gains (losses), net	**(419)**	117	**(273)**	133
Mortgage commitment derivatives fair value gains (losses), net	**2,283**	(295)	**2,600**	(684)
Credit enhancement derivatives fair value gains (losses), net	**(1)**	3	**(17)**	(25)
Other derivatives	**(47)**	—	**(54)**	—
Total derivatives fair value gains (losses), net	**$ 1,816**	$ (175)	**$ 2,256**	$ (576)

Effect of Fair Value Hedge Accounting

The following table displays the effect of fair value hedge accounting on our condensed consolidated statements of operations and comprehensive income, including gains and losses recognized on fair value hedging relationships.

	For the Three Months Ended September 30,				For the Nine Months Ended September 30,			
	2026		2025		2026		2025	
	Interest Income: Mortgage Loans	Interest Expense: Long-Term Debt	Interest Income: Mortgage Loans	Interest Expense: Long-Term Debt	Interest Income: Mortgage Loans	Interest Expense: Long-Term Debt	Interest Income: Mortgage Loans	Interest Expense: Long-Term Debt
	(Dollars in millions)							
Total amounts presented in our condensed consolidated statements of operations and comprehensive income	**$ 39,962**	**$ (33,740)**	$ 38,344	$ (32,639)	**$ 118,161**	**$ (99,631)**	$ 113,436	$ (96,702)
Gains (losses) from fair value hedging relationships:								
Mortgage loans HFI and related interest-rate contracts:								
Hedged items	**$ (3,133)**	**$ —**	$ 100	$ —	**$ (3,626)**	**$ —**	$ 747	$ —
Discontinued hedge related basis adjustment amortization	**44**	**—**	6	—	**71**	**—**	29	—
Derivatives designated as hedging instruments	**3,116**	**—**	(89)	—	**3,580**	**—**	(732)	—
Interest accruals on hedging instruments	**(13)**	**—**	61	—	**(9)**	**—**	170	—
Debt of Fannie Mae and related interest-rate contracts:								
Hedged items	**—**	**393**	—	15	**—**	**726**	—	(259)
Discontinued hedge-related basis adjustment amortization	**—**	**(173)**	—	(193)	**—**	**(502)**	—	(633)
Derivatives designated as hedging instruments	**—**	**(378)**	—	(20)	**—**	**(708)**	—	258
Interest accruals on derivative hedging instruments	**—**	**(3)**	—	(25)	**—**	**(13)**	—	(70)
Gains (losses) recognized in net interest income on fair value hedging relationships	**$ 14**	**$ (161)**	$ 78	$ (223)	**$ 16**	**$ (497)**	$ 214	$ (704)

Hedged Items in Fair Value Hedging Relationships

The following table displays the carrying amounts of the hedged items that have been in qualifying fair value hedges recorded in our condensed consolidated balance sheets, including the hedged item's cumulative basis adjustments and the closed portfolio balances under the portfolio layer method. The hedged item carrying amounts and total basis adjustments include both open and discontinued hedges. The amortized cost and designated UPB consists only of open hedges as of September 30, 2026 and December 31, 2025.

	As of September 30, 2026				
		Cumulative Amount of Fair Value Hedging Basis Adjustments Included in the Carrying Amount		Closed Portfolio of Mortgage Loans Under Portfolio Layer Method	
	Carrying Amount Assets (Liabilities)	Total Basis Adjustments[1]	Remaining Adjustments - Discontinued Hedge	Total Amortized Cost	Designated UPB
			(Dollars in millions)		
Mortgage loans HFI	$ 1,689,143	$ (3,899)	$ (3,899)	$ 394,669	$ 49,590
Debt of Fannie Mae	(21,485)	2,579	2,579	N/A	N/A

	As of December 31, 2025				
		Cumulative Amount of Fair Value Hedging Basis Adjustments Included in the Carrying Amount		Closed Portfolio of Mortgage Loans Under Portfolio Layer Method	
	Carrying Amount Assets (Liabilities)	Total Basis Adjustments[1]	Remaining Adjustments - Discontinued Hedge	Total Amortized Cost	Designated UPB
			(Dollars in millions)		
Mortgage loans HFI	$ 1,343,231	$ (344)	$ (344)	$ 251,659	$ 39,605
Debt of Fannie Mae	(28,764)	2,355	2,355	N/A	N/A

[1] No basis adjustment associated with open hedges, as all hedges are designated at the close of business, with a one-day term.

Derivative Counterparty Credit Exposure

Our derivative counterparty credit exposure relates principally to interest-rate derivative contracts. We manage our derivative counterparty credit exposure relating to our risk management derivative transactions mainly through enforceable master netting arrangements and collateral requirements. See "Note 12, Netting Arrangements" for information on our rights to offset assets and liabilities as of September 30, 2026 and December 31, 2025.

For certain over-the-counter ("OTC") derivatives, the amount of collateral we pledge to counterparties related to our derivative instruments is determined after considering our credit ratings. Currently, our long-term senior debt is rated AA+ or above by the three major rating agencies, S&P Global Ratings, Moody's Ratings, and Fitch Ratings. If our long-term senior debt credit ratings were downgraded to established thresholds in our OTC derivative contracts, which range from A3/A- to Baa2/BBB or below, we would be required to provide additional collateral to certain counterparties. The aggregate fair value of our OTC derivative instruments with credit-risk-related contingent features that were in a net liability position was $1.1 billion and $651 million, for which we posted collateral of $756 million and $552 million as of September 30, 2026 and December 31, 2025, respectively. If our credit ratings were downgraded to Baa2/BBB or below, the maximum additional collateral we would have been required to post to our counterparties as of September 30, 2026 and December 31, 2025 would have been $740 million and $316 million, respectively.

10. Segment Reporting

We have two reportable business segments, which are based on the type of business activities each perform: Single-Family and Multifamily. Results of our two business segments are intended to reflect each segment as if it were a stand-alone business. Our Acting Chief Executive Officer is the chief operating decision maker ("CODM") for our two reportable business segments. The CODM uses both net revenues and income before federal income taxes, on a quarterly basis, to assess the financial performance of the segments and for purposes of allocating resources. The accounting policies of our two reportable business segments are the same as those described in "Note 1, Summary of Significant Accounting Policies" in our 2025 Form 10-K. Also see "Note 11, Segment Reporting" in our 2025 Form 10-K for additional information related to our business segments.

Segment Allocations and Results

The majority of our assets, revenues and expenses are directly associated with each respective business segment and are included in determining its asset balance and operating results. Those assets, revenues and expenses that are not directly attributable to a particular business segment are allocated based on the size of each segment's guaranty book of business. As a result, the sum of each income statement line item for the two reportable segments is equal to that same income statement line item for the consolidated entity. In addition, the sum of the total assets for the two reportable segments is equal to the total assets of the consolidated entity.

The substantial majority of the gains and losses associated with our risk management derivatives are allocated to our Single-Family business segment. During the third quarter of 2026, we changed our methodology for allocating certain components of these gains and losses between our two business segments. The revised methodology better reflects each segment's exposure to changes in fair value. We did not recast prior-year segment results to conform to the new basis because the effect of applying the revised methodology to those periods was not significant.

The following table displays total assets by segment.

	As of	
	September 30, 2026	**December 31, 2025**
	(Dollars in millions)	
Single-Family	**$ 3,740,283**	$ 3,757,261
Multifamily	**577,604**	560,277
Total assets	**$ 4,317,887**	$ 4,317,538

We operate our business solely in the United States and its territories, and accordingly, we generate no revenue from and have no long-lived assets, other than financial instruments, in geographic locations other than the United States and its territories.

The below table displays our segment results.

	For the Three Months Ended September 30,					
	2026			2025		
	Single-Family	Multifamily	Total	Single-Family	Multifamily	Total
	(Dollars in millions)					
Net interest income[1]	**$ 6,268**	**$ 1,291**	**$ 7,559**	$ 5,992	$ 1,192	$ 7,184
Fee and other income	**68**	**24**	**92**	104	19	123
Net revenues	**6,336**	**1,315**	**7,651**	6,096	1,211	7,307
Fair value gains (losses), net[2]	**658**	**(28)**	**630**	(22)	35	13
Investment gains (losses), net[3]	**92**	**2**	**94**	127	(7)	120
Other gains (losses), net	**750**	**(26)**	**724**	105	28	133
(Provision) benefit for credit losses[4]	**(694)**	**(446)**	**(1,140)**	(269)	(69)	(338)
Non-interest expense:						
Administrative expenses[5]	**(630)**	**(154)**	**(784)**	(669)	(150)	(819)
Legislative assessments[6]	**(912)**	**(12)**	**(924)**	(929)	(14)	(943)
Credit enhancement expense[7]	**(289)**	**(82)**	**(371)**	(330)	(79)	(409)
Other income (expense), net[8]	**(107)**	**63**	**(44)**	(129)	33	(96)
Total non-interest expense	**(1,938)**	**(185)**	**(2,123)**	(2,057)	(210)	(2,267)
Income before federal income taxes	**4,454**	**658**	**5,112**	3,875	960	4,835
Provision for federal income taxes	**(812)**	**(123)**	**(935)**	(790)	(186)	(976)
Net income	**$ 3,642**	**$ 535**	**$ 4,177**	$ 3,085	$ 774	$ 3,859

	For the Nine Months Ended September 30,					
	2026			2025		
	Single-Family	Multifamily	Total	Single-Family	Multifamily	Total
	(Dollars in millions)					
Net interest income[1]	**$ 18,494**	**$ 3,756**	**$ 22,250**	$ 17,850	$ 3,490	$ 21,340
Fee and other income	**182**	**64**	**246**	238	55	293
Net revenues	**18,676**	**3,820**	**22,496**	18,088	3,545	21,633
Fair value gains (losses), net[2]	**699**	**(24)**	**675**	257	90	347
Investment gains (losses), net[3]	**(115)**	**(15)**	**(130)**	108	(8)	100
Other gains (losses), net	**584**	**(39)**	**545**	365	82	447
(Provision) benefit for credit losses[4]	**(1,023)**	**(879)**	**(1,902)**	(1,030)	(278)	(1,308)
Non-interest expense:						
Administrative expenses[5]	**(1,881)**	**(459)**	**(2,340)**	(2,168)	(490)	(2,658)
Legislative assessments[6]	**(2,754)**	**(35)**	**(2,789)**	(2,767)	(46)	(2,813)
Credit enhancement expense[7]	**(847)**	**(243)**	**(1,090)**	(1,055)	(233)	(1,288)
Other income (expense), net[8]	**(284)**	**129**	**(155)**	(433)	(7)	(440)
Total non-interest expense	**(5,766)**	**(608)**	**(6,374)**	(6,423)	(776)	(7,199)
Income before federal income taxes	**12,471**	**2,294**	**14,765**	11,000	2,573	13,573
Provision for federal income taxes	**(2,492)**	**(394)**	**(2,886)**	(2,261)	(475)	(2,736)
Net income	**$ 9,979**	**$ 1,900**	**$ 11,879**	$ 8,739	$ 2,098	$ 10,837

(1) Net interest income primarily consists of guaranty fees received as compensation for assuming the credit risk on loans underlying Fannie Mae MBS held by third parties for the respective business segment, and the difference between the interest income earned on the respective business segment's assets in our retained mortgage portfolio and our corporate liquidity portfolio and the interest expense

associated with the debt funding those assets. Revenues from single-family guaranty fees include revenues generated by the 10 basis point increase in guaranty fees pursuant to the TCCA, the incremental revenue from which is paid to Treasury and not retained by us. Also includes yield maintenance revenue we recognized on the prepayment of multifamily loans.

(2) Single-family fair value gains (losses) primarily consist of fair value gains and losses on risk management and mortgage commitment derivatives, trading securities, fair value option debt, and other financial instruments associated with our single-family guaranty book of business. Multifamily fair value gains (losses) primarily consist of fair value gains and losses on trading securities, risk management derivatives, and other financial instruments associated with our multifamily guaranty book of business.

(3) Single-family investment gains (losses) primarily consist of gains and losses on the sale of mortgage assets. Multifamily investment gains (losses) primarily consist of gains and losses on resecuritization activity.

(4) (Provision) benefit for credit losses is based on loans underlying the segment's guaranty book of business.

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

(6) For single-family, consists of the portion of our single-family guaranty fees that is paid to Treasury pursuant to the TCCA, affordable housing allocations and FHFA assessments. For multifamily, consists of affordable housing allocations and FHFA assessments.

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

(8) Primarily consists of foreclosed property income (expense), change in the expected benefits from our freestanding credit enhancements and gains (losses) from partnership investments.

11. Concentrations of Credit Risk

Risk Characteristics of our Guaranty Book of Business

One of the measures by which management gauges our credit risk is the delinquency status of the mortgage loans in our guaranty book of business.

For single-family and multifamily loans, management uses this information, in conjunction with housing market data, other economic data, our capital requirements and our mission objectives, to help inform changes to our eligibility and underwriting criteria, subject to the oversight and direction of FHFA as our conservator. Management also uses this data together with other credit risk measures to identify key trends that guide the development of our loss mitigation strategies.

We report the delinquency status of our single-family and multifamily guaranty books of business below.

Single-Family Credit Risk Characteristics

For single-family loans, management monitors the serious delinquency rate, which is the percentage of single-family loans, based on number of loans, that are 90 days or more past due or in the foreclosure process, and loans that have higher risk characteristics, such as high mark-to-market LTV ratios.

The following tables display the delinquency status and serious delinquency rates for specified loan categories of our single-family conventional guaranty book of business.

	As of					
	September 30, 2026			December 31, 2025		
	30 - 59 Days Delinquent	60 - 89 Days Delinquent	Seriously Delinquent	30 - 59 Days Delinquent	60 - 89 Days Delinquent	Seriously Delinquent
Percentage of single-family conventional guaranty book of business based on UPB	**1.04 %**	**0.30 %**	**0.68 %**	1.00 %	0.30 %	0.63 %
Percentage of single-family conventional loans based on loan count	**1.09**	**0.30**	**0.62**	1.05	0.30	0.58

	As of			
	September 30, 2026		December 31, 2025	
	Percentage of Single-Family Conventional Guaranty Book of Business Based on UPB	Serious Delinquency Rate[1]	Percentage of Single-Family Conventional Guaranty Book of Business Based on UPB	Serious Delinquency Rate[1]
Estimated mark-to-market LTV ratio:				
80.01% to 90%	**7 %**	**1.13 %**	7 %	1.03 %
90.01% to 100%	**5**	**1.16**	4	0.98
Greater than 100%	*	**4.39**	*	3.46
Geographical distribution:				
California	**18**	**0.47**	18	0.44
Florida	**6**	**0.91**	6	0.85
Illinois	**3**	**0.73**	3	0.73
New York	**4**	**0.82**	4	0.78
Texas	**8**	**0.78**	8	0.74
All other states	**61**	**0.58**	61	0.54

* Represents less than 0.5% of single-family conventional guaranty book of business.

(1) Based on loan count.

Multifamily Credit Risk Characteristics

For multifamily loans, management monitors the serious delinquency rate, which is the percentage of multifamily loans, based on UPB, that are 60 days or more past due, and loans with other higher risk characteristics to determine the overall credit quality of our multifamily book of business. Higher risk characteristics include, but are not limited to,

current debt service coverage ratio ("DSCR") below 1.0 and original LTV ratio greater than 80%. We stratify multifamily loans into different internal risk categories based on the credit risk inherent in each individual loan.

The following tables display the delinquency status and serious delinquency rates for specified loan categories of our multifamily guaranty book of business.

	As of			
	September 30, 2026[1]		December 31, 2025[1]	
	30 - 59 Days Delinquent	Seriously Delinquent[2]	30 - 59 Days Delinquent	Seriously Delinquent[2]
Percentage of multifamily guaranty book of business	**0.11 %**	**0.62 %**	0.10 %	0.74 %

	As of			
	September 30, 2026		December 31, 2025	
	Percentage of Multifamily Guaranty Book of Business[1]	Serious Delinquency Rate[2][3]	Percentage of Multifamily Guaranty Book of Business[1]	Serious Delinquency Rate[2][3]
Original LTV ratio:				
Greater than 80%	**1 %**	**0.47 %**	1 %	0.12 %
Less than or equal to 80%	**99**	**0.62**	99	0.75
Current DSCR below 1.0[4]	**5**	**6.54**	4	5.88

(1) Calculated based on the aggregate UPB of multifamily loans for each category divided by the aggregate UPB of loans in our multifamily guaranty book of business.

(2) Consists of multifamily loans that were 60 days or more past due as of the dates indicated.

(3) Calculated based on the UPB of multifamily loans that were seriously delinquent divided by the aggregate UPB of multifamily loans for each category included in our multifamily guaranty book of business.

(4) Our estimates of current DSCRs are based on the latest available income information, including the related debt service covering a 12-month period, from quarterly and annual statements for these properties.

Other Concentrations

For information on credit risk associated with our derivative transactions and repurchase agreements see "Note 9, Derivative Instruments" and "Note 12, Netting Arrangements." For information on concentrations related to mortgage insurers and mortgage servicers and sellers, see "Note 14, Concentrations of Credit Risk—Other Concentrations" in our 2025 Form 10-K.

12. Netting Arrangements

We use master netting arrangements, which allow us to offset certain financial instruments and collateral with the same counterparty, to minimize counterparty credit exposure. The tables below display information related to derivatives and securities purchased under agreements to resell, which are subject to an enforceable master netting arrangement or similar agreement that are either offset or not offset in our condensed consolidated balance sheets.

	As of September 30, 2026					
	Gross Amount	Gross Amount Offset[1]	Net Amount Presented in our Condensed Consolidated Balance Sheets	Amounts Not Offset in our Condensed Consolidated Balance Sheets		Net Amount
				Financial Instruments[2]	Collateral[3]	
	(Dollars in millions)					
Assets:						
OTC risk management derivatives	$ 416	$ (406)	$ 10	$ —	$ (4)	$ 6
Cleared risk management derivatives	—	200	200	—	—	200
Mortgage commitment derivatives	241	—	241	(202)	(32)	7
Total derivative assets	657	(206)	451[4]	(202)	(36)	213
Securities purchased under agreements to resell	33,450	—	33,450	—	(33,450)	—
Total assets	$ 34,107	$ (206)	$ 33,901	$ (202)	$ (33,486)	$ 213
Liabilities:						
OTC risk management derivatives	$ (2,665)	$ 2,643	$ (22)	$ —	$ 4	$ (18)
Cleared risk management derivatives	—	(2)	(2)	—	2	—
Mortgage commitment derivatives	(529)	—	(529)	202	71	(256)
Total liabilities	$ (3,194)	$ 2,641	$ (553)[4]	$ 202	$ 77	$ (274)

	As of December 31, 2025					
	Gross Amount	Gross Amount Offset[1]	Net Amount Presented in our Condensed Consolidated Balance Sheets	Amounts Not Offset in our Condensed Consolidated Balance Sheets		Net Amount
				Financial Instruments[2]	Collateral[3]	
	(Dollars in millions)					
Assets:						
OTC risk management derivatives	$ 277	$ (266)	$ 11	$ —	$ —	$ 11
Cleared risk management derivatives	—	67	67	—	—	67
Mortgage commitment derivatives	55	—	55	(24)	(1)	30
Total derivative assets	332	(199)	133[4]	(24)	(1)	108
Securities purchased under agreements to resell	45,650	—	45,650	—	(45,650)	—
Total assets	$ 45,982	$ (199)	$ 45,783	$ (24)	$ (45,651)	$ 108
Liabilities:						
OTC risk management derivatives	$ (1,256)	$ 1,244	$ (12)	$ —	$ 10	$ (2)
Cleared risk management derivatives	—	(2)	(2)	—	2	—
Mortgage commitment derivatives	(131)	—	(131)	24	101	(6)
Total liabilities	$ (1,387)	$ 1,242	$ (145)[4]	$ 24	$ 113	$ (8)

(1) Represents the effect of the right to offset under legally enforceable master netting arrangements to settle with the same counterparty on a net basis, including cash collateral posted and received and accrued interest.

(2) Mortgage commitment derivative amounts reflect where we have recognized both an asset and a liability with the same counterparty under an enforceable master netting arrangement but we have not elected to offset the related amounts in our condensed consolidated balance sheets.

(3) Represents collateral received that has not been recognized and has not been offset in our condensed consolidated balance sheets, as well as collateral posted that has been recognized but not offset in our condensed consolidated balance sheets. Does not include collateral held or posted in excess of our exposure.

(4) Excludes derivative assets of $48 million and $44 million as of September 30, 2026 and December 31, 2025, respectively, and derivative liabilities of $87 million and $7 million as of September 30, 2026 and December 31, 2025, respectively, recognized in our condensed consolidated balance sheets, that were not subject to enforceable master netting arrangements.

Derivative instruments are recorded at fair value and securities purchased under agreements to resell are recorded at amortized cost in our condensed consolidated balance sheets. For a discussion of how we determine our rights to offset the assets and liabilities presented above with the same counterparty, including collateral posted or received, see “Note 15, Netting Arrangements” in our 2025 Form 10-K.

13. Fair Value

We use fair value measurements for the initial recording of certain assets and liabilities and periodic remeasurement of certain assets and liabilities on a recurring or nonrecurring basis.

Fair Value Measurement

Fair value measurement guidance defines fair value, establishes a framework for measuring fair value and sets forth disclosures around fair value measurements. This guidance applies whenever other accounting guidance requires or permits assets or liabilities to be measured at fair value. The guidance establishes a three-level fair value hierarchy that prioritizes the inputs into the valuation techniques used to measure fair value as follows:

- Level 1: Unadjusted quoted prices in active markets for identical assets or liabilities.
- Level 2: Limited observable inputs or observable inputs for similar assets and liabilities.
- Level 3: Unobservable inputs.

We use valuation techniques that maximize the use of observable inputs and minimize the use of unobservable inputs. See “Note 16, Fair Value” in our 2025 Form 10-K for information on the valuation control processes and the valuation techniques we use for fair value measurement and disclosure as well as our basis for classifying these measurements as Level 1, Level 2 or Level 3 of the valuation hierarchy in more specific situations. If the inputs used to measure assets or liabilities at fair value change, it may also result in a change in classification among Levels 1, 2, and 3. We made no material changes to the valuation control processes or the valuation techniques for the nine months ended September 30, 2026.

Recurring Changes in Fair Value

The following tables display our assets and liabilities measured in our condensed consolidated balance sheets at fair value on a recurring basis subsequent to initial recognition, including instruments for which we have elected the fair value option.

	Fair Value Measurements as of September 30, 2026				
	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	Netting Adjustment[1]	Estimated Fair Value
			(Dollars in millions)		
Recurring fair value measurements:					
Assets:					
Trading securities:					
Mortgage-related[2]	$ —	$ 23,047	$ 22	$ —	$ 23,069
Non-mortgage-related[3]	40,068	19	—	—	40,087
Total trading securities	40,068	23,066	22	—	63,156
Available-for-sale securities:					
Mortgage-related[2]	—	269	301	—	570
Non-mortgage-related[3]	36,997	—	—	—	36,997
Total available-for-sale securities	36,997	269	301	—	37,567
Mortgage loans	—	5,935	374	—	6,309
Derivative assets	—	658	47	(206)	499
Total assets at fair value	$ 77,065	$ 29,928	$ 744	$ (206)	$ 107,531
Liabilities:					
Long-term debt:					
Of Fannie Mae	$ —	$ —	$ 235	$ —	$ 235
Of consolidated trusts	—	14,649	79	—	14,728
Total long-term debt	—	14,649	314	—	14,963
Derivative liabilities	—	3,269	12	(2,641)	640
Total liabilities at fair value	$ —	$ 17,918	$ 326	$ (2,641)	$ 15,603

	Fair Value Measurements as of December 31, 2025				
	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	Netting Adjustment[1]	Estimated Fair Value
			(Dollars in millions)		
Recurring fair value measurements:					
Assets:					
Trading securities:					
Mortgage-related[2]	$ —	$ 14,264	$ 27	$ —	$ 14,291
Non-mortgage-related[3]	55,205	18	—	—	55,223
Total trading securities	55,205	14,282	27	—	69,514
Available-for-sale securities:					
Mortgage-related[2]	—	34	341	—	375
Non-mortgage-related[3]	—	—	—	—	—
Total available-for-sale securities	—	34	341	—	375
Mortgage loans	—	5,076	388	—	5,464
Derivative assets	—	304	72	(199)	177
Total assets at fair value	$ 55,205	$ 19,696	$ 828	$ (199)	$ 75,530
Liabilities:					
Long-term debt:					
Of Fannie Mae	$ —	$ —	$ 256	$ —	$ 256
Of consolidated trusts	—	14,969	91	—	15,060
Total long-term debt	—	14,969	347	—	15,316
Derivative liabilities	—	1,387	7	(1,242)	152
Total liabilities at fair value	$ —	$ 16,356	$ 354	$ (1,242)	$ 15,468

(1) Derivative contracts are reported on a gross basis by level. The netting adjustment represents the effect of the legal right to offset under legally enforceable master netting arrangements to settle with the same counterparty on a net basis, including cash collateral posted and received.

(2) Mortgage-related securities primarily consist of securities issued by Fannie Mae, Freddie Mac, or Ginnie Mae.

(3) Non-mortgage related securities consist of U.S. Treasury securities.

The following tables display a reconciliation of all assets and liabilities measured at fair value on a recurring basis using significant unobservable inputs (Level 3).

	Fair Value Measurements Using Significant Unobservable Inputs (Level 3)				
	Trading Securities	Available-for-Sale Securities	Mortgage Loans	Net Derivatives	Long-term Debt
	(Dollars in millions)				
Balance as of June 30, 2026	$ 26	$ 320	$ 367	$ 69	$ (346)
Purchases	—	—	—	—	—
Sales	—	—	—	—	—
Issuances	—	—	—	—	—
Settlements	—	(11)	(20)	1	6
Net transfers	—	—	32	—	—
Total gains (losses) realized & unrealized[1]	(4)	(8)	(5)	(35)	26
Balance as of September 30, 2026	**$ 22**	**$ 301**	**$ 374**	**$ 35**	**$ (314)**

	Fair Value Measurements Using Significant Unobservable Inputs (Level 3)				
	Trading Securities	Available-for-Sale Securities	Mortgage Loans	Net Derivatives	Long-term Debt
	(Dollars in millions)				
Balance as of December 31, 2025	$ 27	$ 341	$ 388	$ 65	$ (347)
Purchases	—	—	—	—	—
Sales	—	—	—	—	—
Issuances	—	—	—	—	—
Settlements	—	(29)	(47)	5	15
Net transfers	—	(1)	38	10	—
Total gains (losses) realized & unrealized[1]	(5)	(10)	(5)	(45)	18
Balance as of September 30, 2026	**$ 22**	**$ 301**	**$ 374**	**$ 35**	**$ (314)**

	Fair Value Measurements Using Significant Unobservable Inputs (Level 3)				
	Trading Securities	Available-for-Sale Securities	Mortgage Loans	Net Derivatives	Long-term Debt
	(Dollars in millions)				
Balance as of June 30, 2025	$ 25	$ 399	$ 376	$ 33	$ (350)
Purchases	—	—	—	—	—
Sales	—	—	(1)	—	—
Issuances	—	—	—	—	—
Settlements	—	(39)	(12)	2	4
Net transfers	—	—	1	—	—
Total gains (losses) realized & unrealized[1]	1	(9)	7	13	(6)
Balance as of September 30, 2025	$ 26	$ 351	$ 371	$ 48	$ (352)

	Fair Value Measurements Using Significant Unobservable Inputs (Level 3)				
	Trading Securities	Available-for-Sale Securities	Mortgage Loans	Net Derivatives	Long-term Debt
	(Dollars in millions)				
Balance as of December 31, 2024	$ 28	$ 427	$ 399	$ 39	$ (353)
Purchases	—	—	—	—	—
Sales	—	—	(1)	—	—
Issuances	—	—	—	—	—
Settlements	—	(75)	(41)	21	10
Net transfers	(3)	—	—	—	—
Total gains (losses) realized & unrealized[1]	1	(1)	14	(12)	(9)
Balance as of September 30, 2025	$ 26	$ 351	$ 371	$ 48	$ (352)

[1] We had no significant unrealized gains or losses related to assets and liabilities still held in either “Net income” or “Other comprehensive income (loss)” as of September 30, 2026 or September 30, 2025.

The following tables display significant valuation techniques for our Level 3 assets and liabilities measured at fair value on a recurring basis, excluding instruments for which we have elected the fair value option. Changes in these unobservable inputs can result in significantly higher or lower fair value measurements of these assets and liabilities as of the reporting date.

	Fair Value Measurements as of September 30, 2026	
	Fair Value	Significant Valuation Techniques
	(Dollars in millions)	
Recurring fair value measurements:		
Trading securities:		
Mortgage-related	$ 22	Single Vendor
Available-for-sale securities:		
Mortgage-related	$ 301	Primarily Consensus and Single Vendor
Net derivatives	$ 35	Dealer Mark and Discounted Cash Flow

	Fair Value Measurements as of December 31, 2025	
	Fair Value	Significant Valuation Techniques
	(Dollars in millions)	
Recurring fair value measurements:		
Trading securities:		
Mortgage-related	$ 27	Single Vendor
Available-for-sale securities:		
Mortgage-related	$ 341	Primarily Consensus, Single Vendor, and Discounted Cash Flow
Net derivatives	$ 65	Dealer Mark and Discounted Cash Flow

Nonrecurring Changes in Fair Value

In our condensed consolidated balance sheets, certain assets and liabilities are measured at fair value on a nonrecurring basis; that is, the instruments are not measured at fair value on an ongoing basis but are subject to fair value adjustments in certain circumstances (for example, when we evaluate loans for impairment).

The following table displays valuation techniques for our Level 3 assets measured at fair value on a nonrecurring basis.

	Valuation Techniques	Fair Value Measurements as of	
		September 30, 2026	December 31, 2025
		(Dollars in millions)	
Nonrecurring fair value measurements:			
Mortgage loans:[1]			
Mortgage loans held for sale, at lower of cost or fair value	Consensus	**$ 172**	$ 107
Single-family mortgage loans held for investment, at amortized cost	Internal Model	**209**	221
Multifamily mortgage loans held for investment, at amortized cost	Appraisal	**159**	231
	Asset Manager Estimate	**13**	1
	Broker Price Opinion	**1,631**	1,586
	Internal Model	**352**	250
Total multifamily mortgage loans held for investment, at amortized cost		**2,155**	2,068
Acquired property, net:			
Single-family	Accepted Offer and Appraisal	**217**	139
	Internal Model and Walk Forward	**324**	263
Total single-family		**541**	402
Multifamily	Broker Price Opinion and Appraisal	**298**	104
Total nonrecurring assets at fair value		**$ 3,375**	$ 2,902

(1) When we measure impairment, including recoveries, based on the fair value of the loan or the underlying collateral and impairment is recorded on any component of the mortgage loan, including accrued interest receivable and amounts due from the borrower for advances of taxes and insurance, we present the entire fair value measurement amount with the corresponding mortgage loan.

Fair Value of Financial Instruments

The following table displays the carrying value and estimated fair value of our financial instruments. The fair value of financial instruments we disclose includes commitments to purchase multifamily and single-family mortgage loans that we do not record in our condensed consolidated balance sheets. The fair values of these commitments are included as "Mortgage loans held for investment, net of allowance for loan losses." The disclosure excludes all non-financial instruments; therefore, the fair value of our financial assets and liabilities does not represent the underlying fair value of our total consolidated assets and liabilities.

	As of September 30, 2026					
	Carrying Value	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	Netting Adjustment	Estimated Fair Value
	(Dollars in millions)					
Financial assets:						
Cash, including restricted cash	$ 36,343	$ 36,343	$ —	$ —	$ —	$ 36,343
Securities purchased under agreements to resell	33,450	—	33,450	—	—	33,450
Trading securities	63,156	40,068	23,066	22	—	63,156
Available-for-sale securities	37,567	36,997	269	301	—	37,567
Mortgage loans held for sale	332	—	215	150	—	365
Mortgage loans held for investment, net of allowance for loan losses	4,106,299	—	3,437,626	154,860	—	3,592,486
Advances to lenders	1,206	—	1,206	—	—	1,206
Derivative assets at fair value	499	—	658	47	(206)	499
Guaranty assets	95	—	—	171	—	171
Total financial assets	$ 4,278,947	$ 113,408	$ 3,496,490	$ 155,551	$ (206)	$ 3,765,243
Financial liabilities:						
Short-term debt:						
Of Fannie Mae	$ 31,120	$ —	$ 31,117	$ —	$ —	$ 31,117
Long-term debt:						
Of Fannie Mae	137,611	—	137,415	235	—	137,650
Of consolidated trusts	4,000,518	—	3,440,818	230	—	3,441,048
Derivative liabilities at fair value	640	—	3,269	12	(2,641)	640
Guaranty obligations	100	—	—	51	—	51
Total financial liabilities	$ 4,169,989	$ —	$ 3,612,619	$ 528	$ (2,641)	$ 3,610,506

	As of December 31, 2025					
	Carrying Value	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	Netting Adjustment	Estimated Fair Value
	(Dollars in millions)					
Financial assets:						
Cash, including restricted cash	$ 42,583	$ 42,583	$ —	$ —	$ —	$ 42,583
Securities purchased under agreements to resell	45,650	—	45,650	—	—	45,650
Trading securities	69,514	55,205	14,282	27	—	69,514
Available-for-sale securities	375	—	34	341	—	375
Mortgage loans held for sale	209	—	23	201	—	224
Mortgage loans held for investment, net of allowance for loan losses	4,119,104	—	3,656,465	137,864	—	3,794,329
Advances to lenders	3,595	—	3,595	—	—	3,595
Derivative assets at fair value	177	—	304	72	(199)	177
Guaranty assets	90	—	—	172	—	172
Total financial assets	$ 4,281,297	$ 97,788	$ 3,720,353	$ 138,677	$ (199)	$ 3,956,619
Financial liabilities:						
Short-term debt:						
Of Fannie Mae	$ 24,538	$ —	$ 24,548	$ —	$ —	$ 24,548
Long-term debt:						
Of Fannie Mae	102,751	—	104,784	602	—	105,386
Of consolidated trusts	4,053,140	—	3,701,675	235	—	3,701,910
Derivative liabilities at fair value	152	—	1,387	7	(1,242)	152
Guaranty obligations	96	—	—	54	—	54
Total financial liabilities	$ 4,180,677	$ —	$ 3,832,394	$ 898	$ (1,242)	$ 3,832,050

For a detailed description and classification of our financial instruments, see “Note 16, Fair Value” in our 2025 Form 10-K.

Fair Value Option

We generally elect the fair value option on a financial instrument when the accounting guidance would otherwise require us to separately account for a derivative that is embedded in the instrument at fair value. Under the fair value option, we carry this type of instrument, in its entirety, at fair value instead of separately accounting for the derivative.

Interest income from the mortgage loans is recorded in “Interest income: Mortgage loans” and interest expense for the debt instruments is recorded in “Interest expense: Long-term debt” in our condensed consolidated statements of operations and comprehensive income.

The following table displays the fair value and UPB of the financial instruments for which we have elected the fair value option.

	As of					
	September 30, 2026			December 31, 2025		
	Loans[1]	Long-Term Debt of Fannie Mae	Long-Term Debt of Consolidated Trusts	Loans[1]	Long-Term Debt of Fannie Mae	Long-Term Debt of Consolidated Trusts
	(Dollars in millions)					
Fair value	**$ 6,309**	**$ 235**	**$ 14,728**	$ 5,464	$ 256	$ 15,060
UPB	**7,242**	**250**	**16,346**	5,808	250	15,516

(1) Includes nonaccrual loans with a fair value of $30 million as of both September 30, 2026 and December 31, 2025. Includes loans that are 90 days or more past due with a fair value of $25 million and $26 million as of September 30, 2026 and December 31, 2025, respectively.

Changes in Fair Value under the Fair Value Option Election

We recorded losses of $370 million and $392 million for the three and nine months ended September 30, 2026, and gains of $87 million and $248 million for the three and nine months ended September 30, 2025, from changes in the fair value of loans recorded at fair value in "Fair value gains (losses), net" in our condensed consolidated statements of operations and comprehensive income.

We recorded gains of $730 million and $849 million for the three and nine months ended September 30, 2026, and losses of $203 million and $582 million for the three and nine months ended September 30, 2025, from changes in the fair value of long-term debt recorded at fair value in "Fair value gains (losses), net" in our condensed consolidated statements of operations and comprehensive income.

14. Commitments and Contingencies

We are party to various types of legal actions and proceedings, including actions brought on behalf of various classes of claimants. We also are subject to regulatory examinations, inquiries and investigations, and other information gathering requests. In some of the matters, indeterminate amounts are sought. Modern pleading practice in the U.S. permits considerable variation in the assertion of monetary damages or other relief. Jurisdictions may permit claimants not to specify the monetary damages sought or may permit claimants to state only that the amount sought is sufficient to invoke the jurisdiction of the trial court. This variability in pleadings, together with our and our counsel's actual experience in litigating or settling claims, leads us to conclude that the monetary relief that may be sought by plaintiffs bears little relevance to the merits or disposition value of claims.

Legal actions and proceedings of all types are subject to many uncertain factors that generally cannot be predicted with assurance. Accordingly, the outcome of any given matter and the amount or range of potential loss at particular points in time is frequently difficult to ascertain. Uncertainties can include how fact finders will evaluate documentary evidence and the credibility and effectiveness of witness testimony, and how the court will apply the law. Disposition valuations are also subject to the uncertainty of how opposing parties and their counsel may view the evidence and applicable law.

On a quarterly basis, we review relevant information about pending legal actions and proceedings for the purpose of evaluating and revising our contingencies, accruals and disclosures. We establish an accrual only for matters when the likelihood of a loss is probable and we can reasonably estimate the amount of such loss. We are often unable to estimate the possible losses or ranges of losses, particularly for proceedings that are in their early stages of development, where plaintiffs seek indeterminate or unspecified damages, where there may be novel or unsettled legal questions relevant to the proceedings, or where settlement negotiations have not occurred or progressed. Given the uncertainties involved in any action or proceeding, regardless of whether we have established an accrual, the ultimate resolution of certain of these matters may be material to our operating results for a particular period, depending on, among other factors, the size of the loss or liability imposed and the level of our net income or loss for that period.

In addition to the matters specifically described below, we are involved in a number of legal and regulatory proceedings that arise in the ordinary course of business that we do not expect will have a material impact on our business or financial condition. Our bylaws provide that we indemnify officers and directors for certain liabilities incurred in connection with legal proceedings and, pursuant to our bylaws and related indemnification agreements, we have advanced costs and expenses.

Senior Preferred Stock Purchase Agreements Litigation

A consolidated class action (*"In re Fannie Mae/Freddie Mac Senior Preferred Stock Purchase Agreement Class Action Litigations"*) and a non-class action lawsuit, *Fairholme Funds v. FHFA*, filed by Fannie Mae and Freddie Mac stockholders against us, FHFA as our conservator, and Freddie Mac were filed in the U.S. District Court for the District of Columbia. The lawsuits challenge the August 2012 amendment to each company's senior preferred stock purchase agreement with Treasury.

Plaintiffs in these lawsuits allege that the net worth sweep dividend provisions of the senior preferred stock that were implemented pursuant to the August 2012 amendments nullified certain of the stockholders' rights and caused them harm. Plaintiffs in the class action represent a class of Fannie Mae preferred stockholders and classes of Freddie Mac common and preferred stockholders. The cases were tried before a jury at a trial that commenced on July 24, 2023. On August 14, 2023, the jury returned a verdict for the plaintiffs and awarded damages of $299.4 million to Fannie Mae preferred stockholders. On October 24, 2023, the court held that these stockholders were entitled to receive prejudgment interest on the damage award. On March 20, 2024, the court entered final judgment and set the amount of prejudgment interest owed by Fannie Mae at $199.7 million. On April 17, 2024, the defendants filed a motion for

judgment as a matter of law, which the court denied on March 14, 2025. The defendants filed a notice of appeal on April 11, 2025. On April 25, 2025, plaintiffs filed a notice of cross-appeal challenging several of the court's pretrial rulings, which they contend prevented them from seeking the full measure of their alleged damages. After briefing and oral argument, the U.S. Court of Appeals for the District of Columbia Circuit (the "D.C. Circuit") affirmed the district court's final judgment on July 24, 2026. Defendants filed a petition for rehearing *en banc* with the D.C. Circuit on September 8, 2026. On October 16, 2026, the D.C. Circuit denied the petition. Defendants may seek review by the U.S. Supreme Court by filing a petition within 90 days of the D.C. Circuit's denial. Until the appeal is resolved and any final judgment amount has been paid, post-judgment interest on the damages and prejudgment interest awards will accrue at a rate of 5.01%, starting on March 20, 2024, to be computed daily and compounded annually. We recognized $495 million in 2023 related to the jury verdict and estimated prejudgment interest through December 31, 2023 in "Other expenses, net." We recognized an additional $24 million and $26 million of expense in 2024 and 2025, respectively, and $7 million and $20 million of expense for the three and nine months ended September 30, 2026, respectively, related to the prejudgment and post-judgment interest.

15. Regulatory Capital Requirements

The enterprise regulatory capital framework went into effect in February 2021; however, we are not required to hold capital according to the framework's requirements until the date of termination of our conservatorship, or such later date as may be ordered by FHFA. The following table displays our capital requirements under the standardized approach of the enterprise regulatory capital framework.

Capital Metrics under the Enterprise Regulatory Capital Framework as of September 30, 2026[1]

	(Dollars in billions)
Adjusted total assets	$ 4,419
Risk-weighted assets	1,467

	Amounts			Ratios		
	Available Capital (Deficit)[2]	Minimum Capital Requirement	Total Capital Requirement (including Buffers)[3]	Available Capital (Deficit) Ratio	Minimum Capital Ratio Requirement	Total Capital Requirement Ratio (including Buffers)
Risk-based capital:						
Total capital (statutory)[4]	$ 10	$ 117	$ 117	0.7 %	8.0 %	8.0 %
Common equity tier 1 capital	(30)	66	143	(2.0)	4.5	9.7
Tier 1 capital	(11)	88	165	(0.7)	6.0	11.2
Adjusted total capital	(11)	117	194	(0.7)	8.0	13.2
Leverage capital:						
Core capital (statutory)[5]	*	110	110	—	2.5	2.5
Tier 1 capital	(11)	110	132	(0.2)	2.5	3.0

Capital Metrics under the Enterprise Regulatory Capital Framework as of December 31, 2025[1]

(Dollars in billions)	
Adjusted total assets	$ 4,423
Risk-weighted assets	1,411

	Amounts			Ratios		
	Available Capital (Deficit)[2]	Minimum Capital Requirement	Total Capital Requirement (including Buffers)[3]	Available Capital (Deficit) Ratio	Minimum Capital Ratio Requirement	Total Capital Requirement Ratio (including Buffers)
Risk-based capital:						
Total capital (statutory)[4]	$ (3)	$ 113	$ 113	(0.2)%	8.0 %	8.0 %
Common equity tier 1 capital	(41)	63	143	(2.9)	4.5	10.2
Tier 1 capital	(22)	85	165	(1.6)	6.0	11.7
Adjusted total capital	(22)	113	193	(1.6)	8.0	13.7
Leverage capital:						
Core capital (statutory)[5]	(12)	111	111	(0.3)	2.5	2.5
Tier 1 capital	(22)	111	134	(0.5)	2.5	3.0

* Represents amounts less than $500 million.

(1) Ratios are calculated as a percentage of risk-weighted assets for risk-based capital metrics and as a percentage of adjusted total assets for leverage capital metrics.

(2) Available capital (deficit) for all line items excludes the stated value of the senior preferred stock of $120.8 billion.

(3) Prescribed capital conservation buffer amount, or PCCBA, for risk-based capital and prescribed leverage buffer amount, or PLBA, for leverage capital.

(4) The sum of (a) core capital (see definition in footnote 5 below); and (b) a general allowance for foreclosure losses.

(5) The sum of (a) the stated value of our outstanding common stock (common stock less treasury stock); (b) the stated value of our outstanding perpetual, noncumulative preferred stock; (c) our paid-in capital; and (d) our retained earnings (accumulated deficit).

Item 3. Quantitative and Qualitative Disclosures about Market Risk

Information about market risk is set forth in “MD&A—Risk Management—Market Risk Management, including Interest-Rate Risk Management.”

Item 4. Controls and Procedures

Overview

We are required under applicable laws and regulations to maintain controls and procedures, which include disclosure controls and procedures as well as internal control over financial reporting, as further described below.

Evaluation of Disclosure Controls and Procedures

Disclosure Controls and Procedures

Disclosure controls and procedures refer to controls and other procedures designed to provide reasonable assurance that information required to be disclosed in the reports we file or submit under the Exchange Act is recorded, processed, summarized and reported within the time periods specified in the SEC’s rules and forms. Disclosure controls and procedures include, without limitation, controls and procedures designed to provide reasonable assurance that information required to be disclosed by us in the reports that we file or submit under the Exchange Act is accumulated and communicated to management, including our Chief Executive Officer and Chief Financial Officer, as appropriate, to allow timely decisions regarding our required disclosure. In designing and evaluating our disclosure controls and procedures, management recognizes that any controls and procedures, no matter how well designed and operated, can provide only reasonable assurance of achieving the desired control objectives, and management was required to apply its judgment in evaluating and implementing possible controls and procedures.

Evaluation of Disclosure Controls and Procedures

As required by Rule 13a-15 under the Exchange Act, management has evaluated, with the participation of our Chief Executive Officer and Chief Financial Officer, the effectiveness of our disclosure controls and procedures in effect as of September 30, 2026, the end of the period covered by this report. As a result of management’s evaluation, our Chief Executive Officer and Chief Financial Officer concluded that our disclosure controls and procedures were not effective at a reasonable assurance level as of September 30, 2026, or as of the date of filing this report.

Our disclosure controls and procedures were not effective as of September 30, 2026, or as of the date of filing this report because they did not adequately ensure the accumulation and communication to management of information known to FHFA that is needed to meet our disclosure obligations under the federal securities laws. As a result, we were not able to rely upon the disclosure controls and procedures that were in place as of September 30, 2026, or as of the date of this filing, and we continue to have a material weakness in our internal control over financial reporting. This material weakness is described in more detail below under “Description of Material Weakness.” Based on discussions with FHFA and the structural nature of this material weakness, we do not expect to remediate this material weakness while we are under conservatorship.

Description of Material Weakness

The Public Company Accounting Oversight Board’s Auditing Standard 2201 defines a material weakness as a deficiency, or a combination of deficiencies, in internal control over financial reporting such that there is a reasonable possibility that a material misstatement of the company’s annual or interim financial statements will not be prevented or detected on a timely basis.

Management has determined that we continued to have the following material weakness as of September 30, 2026, and as of the date of filing this report:

- *Disclosure Controls and Procedures.* We have been under the conservatorship of FHFA since September 2008. Under the GSE Act, FHFA is an independent agency that currently functions as both our conservator and our regulator with respect to our safety, soundness, and mission. Because of the nature of the conservatorship under the GSE Act, which places us under the “control” of FHFA (as that term is defined by securities laws), some of the information that we may need to meet our disclosure obligations may be solely within the knowledge of FHFA. As our conservator, FHFA has the power to take actions without our knowledge that could be material to our stockholders and other stakeholders, and could significantly affect our financial performance or our continued existence as an ongoing business. Although we and FHFA attempted to design and implement

disclosure policies and procedures that would account for the conservatorship and accomplish the same objectives as a disclosure controls and procedures policy of a typical reporting company, there are inherent structural limitations on our ability to design, implement, operate, and test effective disclosure controls and procedures. As both our regulator and our conservator under the GSE Act, FHFA is limited in its ability to design and implement a complete set of disclosure controls and procedures relating to Fannie Mae, particularly with respect to current reporting pursuant to Form 8-K. Similarly, as a regulated entity, we are limited in our ability to design, implement, operate, and test the controls and procedures for which FHFA is responsible.

Due to these circumstances, we have not been able to update our disclosure controls and procedures in a manner that adequately ensures the accumulation and communication to management of information known to FHFA that is needed to meet our disclosure obligations under the federal securities laws, including disclosures affecting our condensed consolidated financial statements. As a result, we did not maintain effective controls and procedures designed to ensure complete and accurate disclosure as required by GAAP as of September 30, 2026, or as of the date of filing this report. Based on discussions with FHFA and the structural nature of this weakness, we do not expect to remediate this material weakness while we are under conservatorship.

Mitigating Actions Related to Material Weakness

We and FHFA have engaged in the following practices intended to permit accumulation and communication to management of information needed to meet our disclosure obligations under the federal securities laws:

- FHFA has established a process to facilitate operation of the company under the oversight of the conservator.
- FHFA personnel, including senior officials, have reviewed our quarterly and annual SEC filings prior to filing, including this quarterly report on Form 10-Q for the quarter ended September 30, 2026 (“Third Quarter 2026 Form 10-Q”), and engaged in discussions regarding issues associated with the information contained in those filings. Prior to filing our Third Quarter 2026 Form 10-Q, FHFA provided Fannie Mae management with written acknowledgment that it had reviewed the Third Quarter 2026 Form 10-Q, and it was not aware of any material misstatements or omissions in the Third Quarter 2026 Form 10-Q and had no objection to our filing the Third Quarter 2026 Form 10-Q.
- We have also provided FHFA personnel drafts of our Form 8-K filings, press releases, media statements, and certain executive speeches for review prior to filing or release.
- Our senior management meets regularly with senior leadership at FHFA. In addition, the FHFA Director serves as Chair of our Board of Directors.
- FHFA representatives attend meetings frequently with various groups within the company to enhance the flow of information and to provide oversight on a variety of matters, including accounting, credit and market risk management, external communications, and legal matters.
- Senior officials within FHFA’s Office of the Chief Accountant have met frequently with our senior finance executives regarding our accounting policies, practices, and procedures.

Changes in Internal Control Over Financial Reporting

Management has evaluated, with the participation of our Chief Executive Officer and Chief Financial Officer, whether any changes in our internal control over financial reporting that occurred during our last fiscal quarter have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting. There were no changes in our internal control over financial reporting from July 1, 2026 through September 30, 2026 that management believes have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

In the ordinary course of business, we review our system of internal control over financial reporting and make changes that we believe will improve these controls and increase efficiency, while continuing to ensure that we maintain effective internal controls. Changes may include implementing new, more efficient systems, automating manual processes, changes in personnel performing controls, and updating existing systems.

PART II—OTHER INFORMATION

Item 1. Legal Proceedings

The information in this item supplements and updates information regarding certain legal proceedings set forth in "Legal Proceedings" in our 2025 Form 10-K, our Form 10-Q for the quarter ended March 31, 2026 and our Form 10-Q for the quarter ended June 30, 2026. We also provide information regarding material legal proceedings in "Note 14, Commitments and Contingencies," which is incorporated herein by reference. In addition to the matters specifically described or incorporated by reference in this item, we are involved in legal and regulatory proceedings that arise in the ordinary course of business that we do not expect will have a material impact on our business or financial condition. However, litigation claims and proceedings of all types are subject to many factors and their outcome and effect on our business and financial condition generally cannot be predicted accurately.

We establish an accrual for legal claims only when a loss is probable and we can reasonably estimate the amount of such loss. The actual costs of resolving legal claims may be substantially higher or lower than the amounts accrued for those claims. If certain of these matters are determined against us, FHFA or Treasury, it could have a material adverse effect on our results of operations, liquidity and financial condition, including our net worth.

Senior Preferred Stock Purchase Agreements Litigation

Beginning in June 2013, lawsuits were filed in multiple federal courts by preferred and common stockholders of Fannie Mae and Freddie Mac against one or more of the United States, Treasury and FHFA, and in some cases Fannie Mae and Freddie Mac, challenging actions taken by the defendants relating to the Fannie Mae and Freddie Mac senior preferred stock purchase agreements and other matters. Most of these lawsuits have been resolved. The cases in which Fannie Mae is a defendant or that could impact Fannie Mae that remain pending or were terminated after June 30, 2026 are described below.

District of Columbia (In re Fannie Mae/Freddie Mac Senior Preferred Stock Purchase Agreement Class Action Litigations and Fairholme Funds v. FHFA). Fannie Mae is a defendant in two cases filed in the U.S. District Court for the District of Columbia, including a consolidated class action. The cases were consolidated for trial, and on August 14, 2023, the jury returned a verdict for the plaintiffs and awarded damages of $299.4 million to Fannie Mae preferred stockholders. On March 20, 2024, the court entered final judgment and set the amount of prejudgment interest owed by Fannie Mae at $199.7 million. Defendants filed a notice of appeal on April 11, 2025, and plaintiffs filed a notice of cross-appeal on April 25, 2025. After briefing and oral argument, the U.S. Court of Appeals for the District of Columbia Circuit (the "D.C. Circuit") affirmed the district court's final judgment on July 24, 2026. Defendants filed a petition for rehearing *en banc* with the D.C. Circuit on September 8, 2026. On October 16, 2026, the D.C. Circuit denied the petition. Defendants may seek review by the U.S. Supreme Court by filing a petition within 90 days of the D.C. Circuit's denial. See "Note 14, Commitments and Contingencies" for additional information.

Western District of Michigan (Rop et al. v. FHFA et al.). On June 1, 2017, preferred and common stockholders of Fannie Mae and Freddie Mac filed a complaint for declaratory and injunctive relief against FHFA and Treasury in the U.S. District Court for the Western District of Michigan. FHFA and Treasury moved to dismiss the case on September 8, 2017, and plaintiffs filed a motion for summary judgment on October 6, 2017. On September 8, 2020, the court denied plaintiffs' motion for summary judgment and granted defendants' motion to dismiss. On October 4, 2022, the U.S. Court of Appeals for the Sixth Circuit reversed the dismissal and remanded the case to the district court to determine whether the stockholders suffered compensable harm. On February 2, 2023, plaintiffs filed a petition with the Supreme Court seeking review of the Sixth Circuit's decision, which the Supreme Court denied on June 12, 2023. On August 11, 2023, plaintiffs submitted a motion for leave to file an amended complaint in the district court, which the court denied on December 11, 2024. On March 27, 2025, FHFA filed a motion for judgment on the pleadings seeking to dismiss this lawsuit. Treasury likewise filed a motion for judgment on the pleadings on March 28, 2025. On April 1, 2025, plaintiffs filed a motion for leave to amend their complaint. On March 11, 2026, the court denied plaintiffs' motion for leave to amend their complaint, and granted FHFA's and Treasury's motions for judgment on the pleadings, dismissing the lawsuit. Plaintiffs filed a notice of appeal on May 7, 2026.

Item 1A. Risk Factors

In addition to the information in this report, you should carefully consider the risks relating to our business that we identify in "Risk Factors" in our 2025 Form 10-K. Also refer to "MD&A—Risk Management," "MD&A—Single-Family Business" and "MD&A—Multifamily Business" in our 2025 Form 10-K and in this report for more detailed descriptions of the primary risks to our business and how we seek to manage those risks.

The risks we face could materially adversely affect our business, results of operations, financial condition, liquidity and net worth, and could cause our actual results to differ materially from our past results or the results contemplated by any forward-looking statements we make. We believe the risks described in the sections of this report and our 2025 Form 10-K referenced above are the most significant we face; however, these are not the only risks we face. We face additional risks and uncertainties not currently known to us or that we currently believe are immaterial.

Item 2. Unregistered Sales of Equity Securities and Use of Proceeds

Common Stock

Our common stock is traded in the over-the-counter market and quoted on the OTCQB, operated by OTC Markets Group Inc., under the ticker symbol "FNMA."

Recent Sales of Unregistered Equity Securities

Under the terms of our senior preferred stock purchase agreement with Treasury, we are prohibited from selling or issuing our equity interests without the prior written consent of Treasury except under limited circumstances, which are described in "Business—Conservatorship and Treasury Agreements—Treasury Agreements—Covenants" in our 2025 Form 10-K. During the quarter ended September 30, 2026, we did not sell any equity securities.

Information about Certain Securities Issuances by Fannie Mae

Pursuant to SEC regulations, public companies are required to disclose certain information when they incur a material direct financial obligation or become directly or contingently liable for a material obligation under an off-balance sheet arrangement. The disclosure must be made in a current report on Form 8-K under Item 2.03 or, if the obligation is incurred in connection with certain types of securities offerings, in prospectuses for that offering that are filed with the SEC.

Because the securities we issue are exempted securities under the Securities Act of 1933, we do not file registration statements or prospectuses with the SEC with respect to our securities offerings. To comply with the disclosure requirements of Form 8-K relating to the incurrence of material financial obligations, in accordance with a "no-action" letter we received from the SEC staff in 2004, we report our incurrence of these types of obligations in offering circulars or prospectuses (or supplements thereto) that we post on our website within the same time period that a prospectus for a non-exempt securities offering would be required to be filed with the SEC. To the extent we incur a material financial obligation that is not disclosed in this manner, we would file a Form 8-K if required to do so under applicable Form 8-K requirements.

The website address for disclosure about our debt securities is www.fanniemae.com/debtsearch. From this address, investors can access the offering circular and related supplements for debt securities offerings under Fannie Mae's universal debt facility, including pricing supplements for individual issuances of debt securities.

Disclosure about our obligations pursuant to the MBS we issue, some of which may be off-balance sheet obligations, can be found at www.fanniemae.com/mbsdisclosure. From this address, investors can access information and documents about our MBS, including prospectuses and related prospectus supplements.

We are providing our website address solely for your information. Information appearing on our website is not incorporated into this report.

Our Purchases of Equity Securities

We did not repurchase any of our equity securities during the third quarter of 2026.

Dividend Restrictions

Our payment of dividends is subject to the following restrictions:

Restrictions Relating to Conservatorship. Our conservator announced on September 7, 2008 that we would not pay any dividends on the common stock or on any series of preferred stock, other than the senior preferred stock. In addition, FHFA's regulations relating to conservatorship and receivership operations prohibit us from paying any dividends while in conservatorship unless authorized by the Director of FHFA. The Director of FHFA has directed us to make dividend payments on the senior preferred stock on a quarterly basis for every dividend period for which dividends were payable.

Restrictions Under Senior Preferred Stock Purchase Agreement and Senior Preferred Stock. The senior preferred stock purchase agreement prohibits us from declaring or paying any dividends on Fannie Mae equity securities (other than the senior preferred stock) without the prior written consent of Treasury. In addition, the provisions of the senior

preferred stock provide for dividends each quarter through and including the capital reserve end date in the amount, if any, by which our net worth as of the end of the immediately preceding fiscal quarter exceeds an applicable capital reserve amount. The applicable capital reserve amount is the amount of adjusted total capital necessary for us to meet the capital requirements and buffers set forth in the enterprise regulatory capital framework. The capital reserve end date is defined as the last day of the second consecutive fiscal quarter during which we have had and maintained capital equal to, or in excess of, all of the capital requirements and buffers under the enterprise regulatory capital framework. After the capital reserve end date, the amount of quarterly dividends to Treasury will be equal to the lesser of any quarterly increase in our net worth and a 10% annual rate on the then-current liquidation preference of the senior preferred stock. For more information on the terms of the senior preferred stock purchase agreement and senior preferred stock, see "Business—Conservatorship and Treasury Agreements" in our 2025 Form 10-K.

Additional Restrictions Relating to Preferred Stock. Payment of dividends on our common stock is also subject to the prior payment of dividends on our preferred stock and our senior preferred stock. Payment of dividends on all outstanding preferred stock, other than the senior preferred stock, is also subject to the prior payment of dividends on the senior preferred stock.

Statutory Restrictions. Under the GSE Act, we are not permitted to make a capital distribution (including the payment of dividends) if, after making the distribution, we would be undercapitalized. The Director of FHFA, however, may permit us to repurchase shares if the repurchase is made in connection with the issuance of additional shares or obligations in at least an equivalent amount and will reduce our financial obligations or otherwise improve our financial condition. The GSE Act also provides that: (1) if we are classified as undercapitalized, we may not make a capital distribution that would result in our reclassification as significantly or critically undercapitalized; and (2) if we are classified as significantly undercapitalized, we may not make a capital distribution that would result in our reclassification as critically undercapitalized and we may not make any other capital distribution without the approval of the Director of FHFA. Our capital classifications have been suspended during conservatorship. In addition, under the Charter Act, we must obtain the prior written approval of FHFA to make a capital distribution that would decrease our total capital to an amount less than the risk-based capital level or that would decrease our core capital to an amount less than the minimum capital level.

Restrictions Under Enterprise Regulatory Capital Framework. The enterprise regulatory capital framework rule establishes capital planning and prior notice and approval requirements for capital distributions. In addition, while not currently applicable, our payment of dividends and capital distributions will be subject to the following restrictions under the enterprise regulatory capital framework effective on the date of termination of our conservatorship:

During a calendar quarter, we will not be permitted to pay dividends or make any other capital distributions (or create an obligation to make such distributions) that, in the aggregate, exceed the amount equal to our eligible retained income for the quarter multiplied by our maximum payout ratio. The maximum payout ratio for a given quarter is the lowest of the payout ratios determined by our capital conservation buffer and our leverage buffer. We will not be subject to this limitation on distributions if we have a capital conservation buffer that is greater than our prescribed capital conservation buffer amount and a leverage buffer that is greater than our prescribed leverage buffer amount. Notwithstanding the above-described limitations, FHFA may permit us to make a distribution upon our request, if FHFA determines that the distribution would not be contrary to the purposes of this section of the enterprise regulatory capital framework or to our safety and soundness. We will not be permitted to make any distributions during a quarter if our eligible retained income is negative and either (a) our capital conservation buffer is less than our stress capital buffer or (b) our leverage buffer is less than our prescribed leverage buffer amount.

Item 3. Defaults Upon Senior Securities

None.

Item 4. Mine Safety Disclosures

None.

Item 5. Other Information

Trading Arrangements

During the quarter ended September 30, 2026, no Fannie Mae director or officer (as that term is defined by the SEC in Rule 16a-1(f) under the Exchange Act) adopted or terminated a Rule 10b5-1 trading arrangement or a non-Rule 10b5-1 trading arrangement for transactions in Fannie Mae securities.

Item 6. Exhibits

The exhibits listed below are being filed or furnished with or incorporated by reference into this report.

Item	Description
3.1	Fannie Mae Charter Act (12 U.S.C. § 1716 et seq.) as amended through July 25, 2019 (Incorporated by reference to Exhibit 3.1 to Fannie Mae's Quarterly Report on Form 10-Q for the quarter ended September 30, 2019, filed October 31, 2019.)
3.2	Fannie Mae Bylaws, as amended through January 29, 2019 (Incorporated by reference to Exhibit 3.2 to Fannie Mae's Annual Report on Form 10-K for the year ended December 31, 2018, filed February 14, 2019.)
31.1	Certification of Chief Executive Officer pursuant to Securities Exchange Act Rule 13a-14(a)
31.2	Certification of Chief Financial Officer pursuant to Securities Exchange Act Rule 13a-14(a)
32.1	Certification of Chief Executive Officer pursuant to 18 U.S.C. Section 1350
32.2	Certification of Chief Financial Officer pursuant to 18 U.S.C. Section 1350
101. INS	Inline XBRL Instance Document* - the instance document does not appear in the Interactive Data File because its XBRL tags are embedded within the Inline XBRL document
101. SCH	Inline XBRL Taxonomy Extension Schema*
101. CAL	Inline XBRL Taxonomy Extension Calculation*
101. DEF	Inline XBRL Taxonomy Extension Definition*
101. LAB	Inline XBRL Taxonomy Extension Label*
101. PRE	Inline XBRL Taxonomy Extension Presentation*
104	Cover Page Interactive Data File* (embedded within the Inline XBRL document)

* The financial information contained in these Inline XBRL documents is unaudited.

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 thereunto duly authorized.

Federal National Mortgage Association

By: /s/ Peter Akwaboah

Peter Akwaboah
Acting Chief Executive Officer, and
Executive Vice President and Chief Operating Officer

Date: October 28, 2026

By: /s/ Chryssa C. Halley

Chryssa C. Halley
Executive Vice President and
Chief Financial Officer

Date: October 28, 2026


Fannie Mae®

Exhibit 31.1

CERTIFICATION

PURSUANT TO SECURITIES EXCHANGE ACT RULE 13a-14(a)

I, Peter Akwaboah, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q for the quarter ended September 30, 2026 of Fannie Mae (formally, the Federal National Mortgage Association);
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
   a. Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
   b. Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
   c. Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
   d. Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
   a. All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
   b. Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

/s/ Peter Akwaboah

Peter Akwaboah
Acting Chief Executive Officer, and Executive Vice President and Chief Operating Officer

Date: October 28, 2026

Exhibit 31.2

CERTIFICATION

PURSUANT TO SECURITIES EXCHANGE ACT RULE 13a-14(a)

I, Chryssa C. Halley, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q for the quarter ended September 30, 2026 of Fannie Mae (formally, the Federal National Mortgage Association);
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
   a. Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
   b. Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
   c. Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
   d. Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
   a. All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
   b. Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

/s/ Chryssa C. Halley

Chryssa C. Halley
Executive Vice President and Chief Financial Officer

Date: October 28, 2026

Exhibit 32.1

CERTIFICATION

In connection with the Quarterly Report on Form 10-Q of Fannie Mae (formally, the Federal National Mortgage Association) for the quarter ended September 30, 2026, as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Peter Akwaboah, Acting Chief Executive Officer, and Executive Vice President and Chief Operating Officer of Fannie Mae, certify, pursuant to 18 U.S.C. Section 1350, that to my knowledge:

1. The Report fully complies with the requirements of Section 13(a) or 15(d), as applicable, of the Securities Exchange Act of 1934; and

2. The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of Fannie Mae.

/s/ Peter Akwaboah

Peter Akwaboah
Acting Chief Executive Officer, and Executive Vice President and Chief Operating Officer

Date: October 28, 2026

The foregoing certification is being furnished solely pursuant to 18 U.S.C. Section 1350 and is not being filed as part of the Report or as a separate disclosure document.

Exhibit 32.2

CERTIFICATION

In connection with the Quarterly Report on Form 10-Q of Fannie Mae (formally, the Federal National Mortgage Association) for the quarter ended September 30, 2026, as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Chryssa C. Halley, Executive Vice President and Chief Financial Officer of Fannie Mae, certify, pursuant to 18 U.S.C. Section 1350, that to my knowledge:

1. The Report fully complies with the requirements of Section 13(a) or 15(d), as applicable, of the Securities Exchange Act of 1934; and

2. The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of Fannie Mae.

/s/ Chryssa C. Halley

Chryssa C. Halley
Executive Vice President and Chief Financial Officer

Date: October 28, 2026

The foregoing certification is being furnished solely pursuant to 18 U.S.C. Section 1350 and is not being filed as part of the Report or as a separate disclosure document.