

# Multifamily Mortgage-Backed Securities

August 2010

## MBS Volumes\*

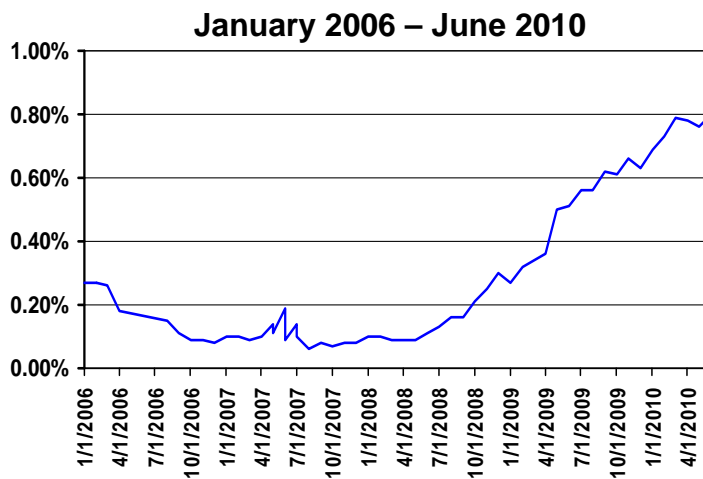
	1 <sup>st</sup> Quarter 2010	2 <sup>nd</sup> Quarter 2010
MF MBS Issuance (\$ billions)	\$3.05	\$2.47
MF MBS Outstanding (\$ billions)	\$50.55	\$51.59

## Spreads

Week of	Spread over 10-year Swaps
06/11/10	90
06/18/10	85
06/25/10	85
07/09/10	90
07/16/10	80
07/23/10	80
07/30/10	80
08/06/10	80

Source: J.P. Morgan Chase

## Serious Delinquency Rate\*\*



For general questions, please contact  
Fixed-Income Investor Helpline at 800.237.8627

\* Excludes Negotiated Transaction (NT) MBS and other non-flow MBS products as well as Arm-to-Fixed Conversions in 2Q2010.

\*\* Includes multifamily loans and securities 60 days or more past due and is calculated based on the UPB or delinquent multifamily loans owned by Fannie Mae or underlying Fannie Mae guaranteed securities, divided by the UPB of multifamily loans owned by Fannie Mae or underlying Fannie Mae guaranteed securities.

## MBS Highlights

### Fannie Mae DUS Lenders

- ❖ DUS lenders and their affiliates delivered approximately 83% of Fannie Mae's multifamily guaranty book of business as of June 30, 2010.

### Fannie Mae Issues Fourth Multifamily REMIC for 2010

- ❖ FNA2010-M4: \$542 million.
- ❖ Collateral includes 10/9.5 and 7/6.5 DUS bonds.

### MBS Product: MBS Multifamily Structured ARM (SARM)

- ❖ Fannie Mae has seen increased interest in the SARM product from the investor community in the recent months.
- ❖ These loans have an adjustable interest rate that is equal to 1-month or 3-month LIBOR plus a mortgage margin.
- ❖ No embedded periodic or lifetime caps in the loan structure, providing the advantage of an uncapped adjustable-rate security.
- ❖ Principal is paid in equal installments over the life of the loan, providing greater predictability to investors if the loan amortizes (interest-only loans also available).
- ❖ Loan sizes typically exceed \$25 million, improving the marketability of the MBS.
- ❖ Loan terms of 5-, 7-, or 10-years with day count convention of Actual/360.
- ❖ MBS/SARM loans ARM Plan Numbers:
  - ❖ 1-month LIBOR: ARM Plan # 03488.
  - ❖ 3-month LIBOR: ARM Plan # 03487.
- ❖ For more details, see the Fannie Mae Multifamily Delegated Underwriting and Servicing Guide found on AllRegs®.

### Notable News

The Second Quarter 2010 MBS Performance Data file for MBS/DUS 10/9.5 will be available at:  
<http://www.fanniemae.com/mbs/data/multifamily/dusperformancedata.jhtml>