



January 5, 2017

Connecticut Avenue Securities receives NAIC designations on actual loss transactions

The National Association of Insurance Commissioners (NAIC) has released designations on Fannie Mae's deals under its Connecticut Avenue Securities™ (CAS) series and for the first time has assigned designations to six of our actual loss CAS deals. The two most recently issued CAS transactions are expected to be modeled in January.

Fannie Mae's CAS 2015-C04 through 2016-C05 deals under the actual loss framework received NAIC designations for the NAIC's 2016 filing year. All M-1 bonds, both in Group 1¹ and Group 2² deals, received a designation of NAIC 1. The substantial majority of M-2 bonds received a designation of either NAIC 1 or NAIC 2.

In addition, all of Fannie Mae's CAS deals under the fixed severity framework reviewed in the 2016 filing year received NAIC designations of NAIC 1.

The following bonds in our CAS series under the actual loss framework received an NAIC designation for the 2016 filing year.

Designation	Class	CUSIP
NAIC 1	CAS 2015-C04 1M1	30711XBE3
NAIC 2	CAS 2015-C04 1M2	30711XBF0
NAIC 1	CAS 2015-C04 2M1	30711XBG8
NAIC 2	CAS 2015-C04 2M2	30711XBH6
NAIC 1	CAS 2016-C01 1M1	30711XBJ2
NAIC 1	CAS 2016-C01 1M2	30711XBM5
NAIC 1	CAS 2016-C01 2M1	30711XBR4
NAIC 2	CAS 2016-C01 2M2	30711XBU7
NAIC 1	CAS 2016-C02 1M1	30711XBZ6
NAIC 1	CAS 2016-C02 1M2	30711XCB8
NAIC 1	CAS 2016-C03 1M1	30711XCK8
NAIC 2	CAS 2016-C03 1M2	30711XCL6
NAIC 1	CAS 2016-C03 2M1	30711XCS1
NAIC 2	CAS 2016-C03 2M2	30711XCT9
NAIC 1	CAS 2016-C04 1M1	30711XCZ5
NAIC 2	CAS 2016-C04 1M2	30711XDA9
NAIC 1	CAS 2016-C05 2M1	30711XDG6
NAIC 3	CAS 2016-C05 2M2	30711XDK7

¹Original loan-to-value (LTV) ratios of 60.00 – 80.00%

²Original LTV ratios of 80.01 – 97.00%



All bonds in our CAS series under the fixed severity framework reviewed in the 2016 filing year are listed below for reference and received an NAIC designation of 1.

Designation	Class	CUSIP
NAIC 1	CAS 2013-C01 M1	30711XAA2
NAIC 1	CAS 2013-C01 M2	30711XAB0
NAIC 1	CAS 2014-C01 M1	30711XAC8
NAIC 1	CAS 2014-C01 M2	30711XAD6
NAIC 1	CAS 2014-C02 1M1	30711XAE4
NAIC 1	CAS 2014-C02 1M2	30711XAF1
NAIC 1	CAS 2014-C02 2M1	30711XAG9
NAIC 1	CAS 2014-C02 2M2	30711XAH7
NAIC 1	CAS 2014-C03 1M1	30711XAJ3
NAIC 1	CAS 2014-C03 1M2	30711XAK0
NAIC 1	CAS 2014-C03 2M1	30711XAL8
NAIC 1	CAS 2014-C03 2M2	30711XAM6
NAIC 1	CAS 2014-C04 1M1	30711XAN4
NAIC 1	CAS 2014-C04 1M2	30711XAP9
NAIC 1	CAS 2014-C04 2M1	30711XAQ7
NAIC 1	CAS 2014-C04 2M2	30711XAR5
NAIC 1	CAS 2015-C01 1M1	30711XAS3
NAIC 1	CAS 2015-C01 1M2	30711XAT1
NAIC 1	CAS 2015-C01 2M2	30711XAV6
NAIC 1	CAS 2015-C02 1M1	30711XAW4
NAIC 1	CAS 2015-C02 1M2	30711XAX2
NAIC 1	CAS 2015-C02 2M1	30711XAY0
NAIC 1	CAS 2015-C02 2M2	30711XAZ7
NAIC 1	CAS 2015-C03 1M1	30711XBA1
NAIC 1	CAS 2015-C03 1M2	30711XBB9
NAIC 1	CAS 2015-C03 2M1	30711XBC7
NAIC 1	CAS 2015-C03 2M2	30711XBD5

The NAIC's Structured Securities Group (SSG) describes its designations on its [webpage](#). An **NAIC 1** obligation should be eligible for the most favorable treatment provided under the NAIC Financial Conditions Framework, while an **NAIC 2** obligation should be eligible for relatively favorable treatment under the NAIC Financial Conditions Framework.ⁱ

The National Association of Insurance Commissioners 2016 Mortgage Reference Securities Report is not a substitute for or functional equivalent of the credit ratings of rating agencies and is not produced to permit investors to compare the likelihood of default or of full and timely payment between one or more securities.

ⁱ The NAIC's SSG is responsible for the day-to-day credit quality assessment and valuation of securities owned by state regulated insurance companies. The SVO conducts credit analysis on these securities for the purpose of assigning an NAIC designation and/or unit price.