Fannie Mae

Powering America's Housing

2025 Annual Housing Activities Report

Table of Contents

About this document

In the sections that follow, we provide our response to the 11 requirements set forth in the Fannie Mae Charter Act (12 U.S.C. § 1723a(n)(2)(A) through (K)). The Index at the end of this document specifies which section(s) address particular Charter Act requirements.

How Fannie Mae Is Powering America's Housing: 2025 Impact at a Glance

$409B

in liquidity provided to the mortgage market

~1.5M

households helped to buy, refinance, or rent a home

~364K

first-time homebuyers helped to purchase a home, representing more than half of our single-family purchase mortgage acquisitions

4,300+

mortgage applications benefited from positive rent payment history

~194K

very low- and low-income homebuyers helped to purchase a home

306K

first-time prospective homebuyers completed a HomeView® course and earned a certificate of completion

23,260+

housing counseling engagements to support those who were impacted by a disaster or hardship

351K

rental units affordable to very low- and low-income families financed

Fannie Mae's Role in America's Housing Finance System

Fannie Mae was established during the Great Depression to help stabilize the housing market — a role we continue to fulfill today as a cornerstone of the U.S. housing finance system. We manage more than $4 trillion on our balance sheet, supporting liquidity, affordability, and stability across the nation's housing market. As of year-end 2025, we had $109 billion in net worth, which reflects the strength of our business and fuels our ability to achieve our mission.

By channeling global capital into the U.S. housing finance system, we ensure lenders have reliable funding so qualified borrowers can buy or refinance a home, and renters have access to affordable rental options. This work strengthens local communities, supports economic resilience, and bolsters the broader U.S. economy, where housing typically represents 14% to 17% of gross domestic product.

A resilient housing system is critical to economic stability, and Fannie Mae helps power this system by maintaining a steady flow of mortgage financing through all market cycles. We are leading the future of housing so communities across the nation can thrive.

We do this by:

Providing a reliable source of **liquidity** for mortgage lending to expand access to affordable homeownership and rental housing.

Promoting housing **affordability** by offering programs, products, and tools that help people secure cost-accessible homes.

Supporting long-term housing **stability** through homeownership and rental education, sustainable underwriting standards, and foreclosure prevention options.

Fannie Mae continuously works to modernize the mortgage system by advancing our products, technology, and underwriting practices to safely meet evolving consumer needs.

Business Overview[1]

Fannie Mae expands access to homeownership and rental housing

Fannie Mae is a leading source of mortgage financing for owner-occupied and rental housing across the U.S., expanding access to both homeownership and quality, affordable rental options. We do not originate mortgage loans or lend directly to borrowers; instead, we purchase mortgage loans from lenders, enabling them to serve more households in all market conditions.

Working with mortgage lenders and servicers, housing counselors, real estate professionals, nonprofit organizations, and other industry stakeholders, we help people obtain and sustain housing — whether they are buying a home, refinancing, or renting.

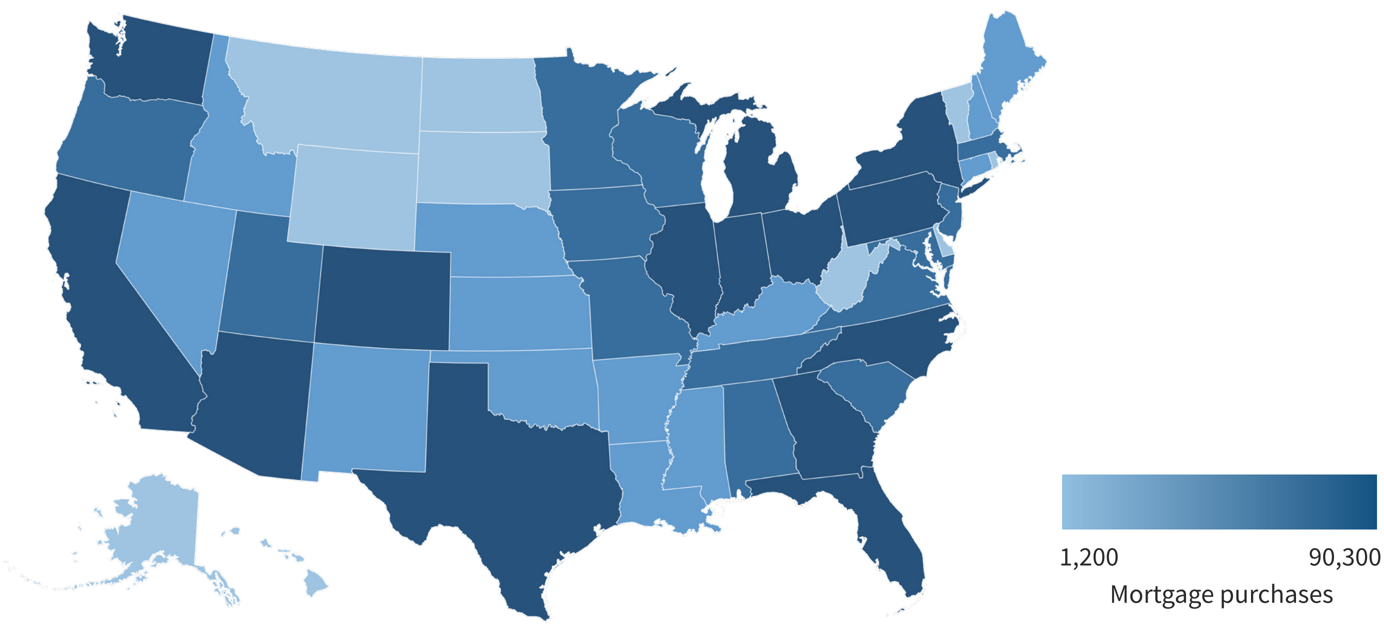
Our work spans both the single-family and multifamily markets, ensuring a steady flow of capital for homeownership and rental housing alike.

Single-Family

Our Single-Family business helps homebuyers purchase and refinance one- to four-unit homes across America. We support mortgage lenders by acquiring the mortgage loans they originate and packaging them into mortgage-backed securities (MBS) that we guarantee, attracting investors to the U.S. secondary mortgage market. Our financing solutions enable lenders to offer long-term, fixed-rate mortgages, providing homeowners with stable and predictable payments throughout the life of their loans.

We set underwriting and eligibility standards for loans sold to Fannie Mae. A substantial majority of the single-family loans we acquire are evaluated through Desktop Underwriter® (DU®), our proprietary automated underwriting system. We also establish servicing standards, including borrower assistance options for homeowners facing financial hardship.

Single-Family Owner-Occupied Mortgage Purchases by State and Territory

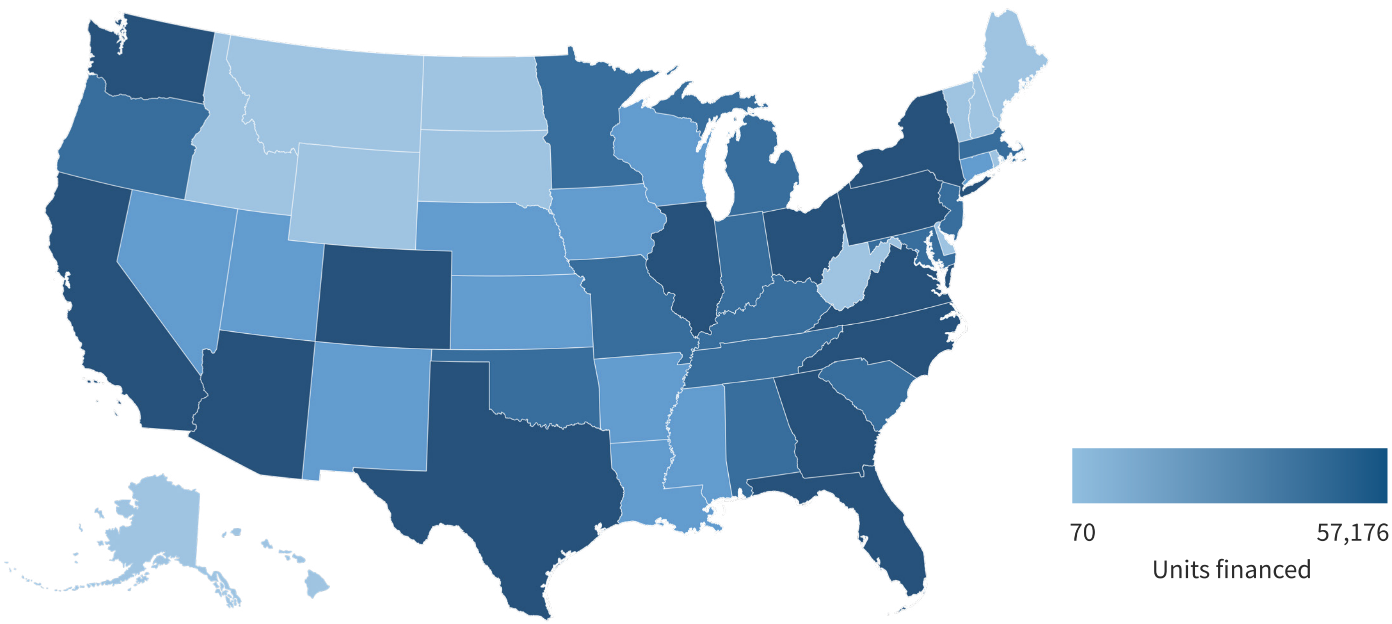


Source: 2025 Annual Mortgage Report ("AMR")[2] Table 10A

Multifamily

Our Multifamily business provides financing for quality, affordable rental housing in every market, every day. The cornerstone of this business line is our Delegated Underwriting and Servicing (DUS®) program. DUS is a unique risk-sharing model that leverages private capital to finance multifamily housing. We also invest in Low-Income Housing Tax Credit (LIHTC) properties to help create and preserve affordable rental options. Like our work in the single-family housing market, Fannie Mae helps maintain the flow of capital in the multifamily market by securitizing loans into MBS, increasing the availability of funds for rental housing projects nationwide.

Multifamily Mortgage Purchases by State and Territory



Source: 2025 AMR Table 10B

Providing Liquidity to the Mortgage Market[3]

Fannie Mae provides liquidity to the U.S. mortgage market primarily through two channels: (1) purchasing whole loans through its Single-Family Whole Loan Conduit (WLC), and (2) exchanging lender-delivered loans for MBS through lender swap transactions. The WLC purchases whole loans from approximately 1,200 single-family lenders, offering flexible execution options and competitive pricing. Purchased loans are typically securitized into Fannie Mae MBS or placed into Fannie Majors® pools, which are then sold in the secondary market. In addition to whole loan purchases, lenders may exchange loans for Fannie Mae MBS through swap transactions. In 2025, Fannie Mae issued approximately $133 billion in MBS through single-family WLC transactions and $276 billion in MBS through single-family and multifamily lender swap transactions.

Fannie Mae also worked to improve the liquidity and stability in the secondary mortgage market by increasing its retained mortgage portfolio[4] through MBS acquisitions. Fannie Mae's retained mortgage portfolio grew by $37.6 billion, reaching $132.5 billion as of year-end 2025. This effort supports market functioning while also aiming to lower mortgage rates and improve overall housing affordability.

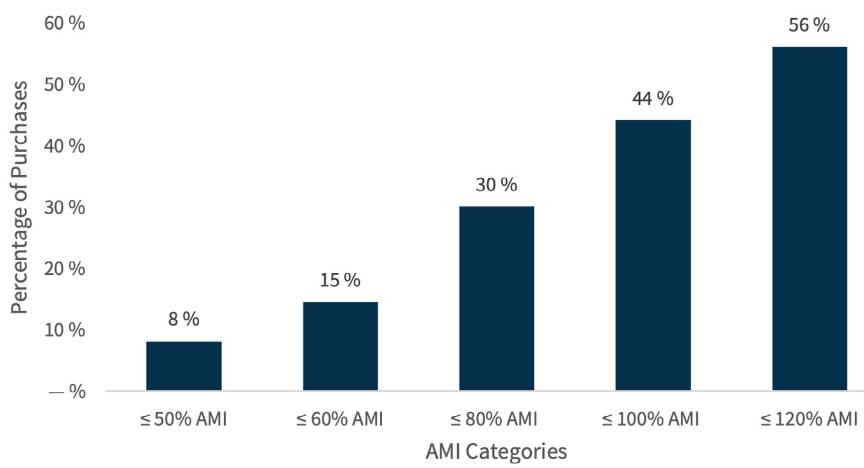
$409 billion

in liquidity provided to the mortgage market in 2025, supporting approximately 704K home purchases, 283K refinancings, and 531K rental units.

Serving Low- and Moderate-Income Families[5, 6]

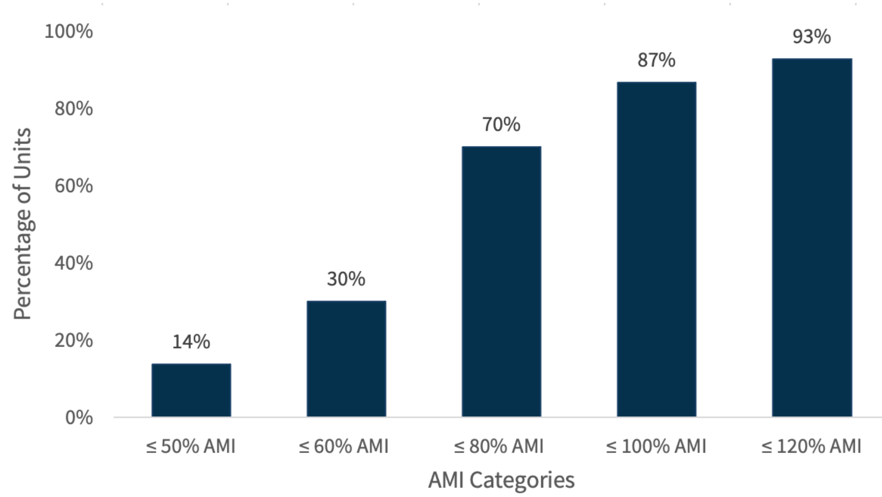
In 2025, Fannie Mae helped finance approximately **1.5 million home purchases, refinancings, and rental units**. A substantial portion of the loans we purchased supported borrowers and renters earning at or below 100% of the area median income (AMI). **Forty-four percent of the single-family loans we acquired in 2025 were made to low- and moderate-income borrowers**[7], and approximately 93% of the multifamily units we financed that were potentially eligible for housing goals credit were affordable to households earning at or below 120% of AMI.

Fannie Mae's 2025 Single-Family Owner-Occupied Mortgage Purchases by Borrower Income Relative to AMI



Source: 2025 AMR Table 2

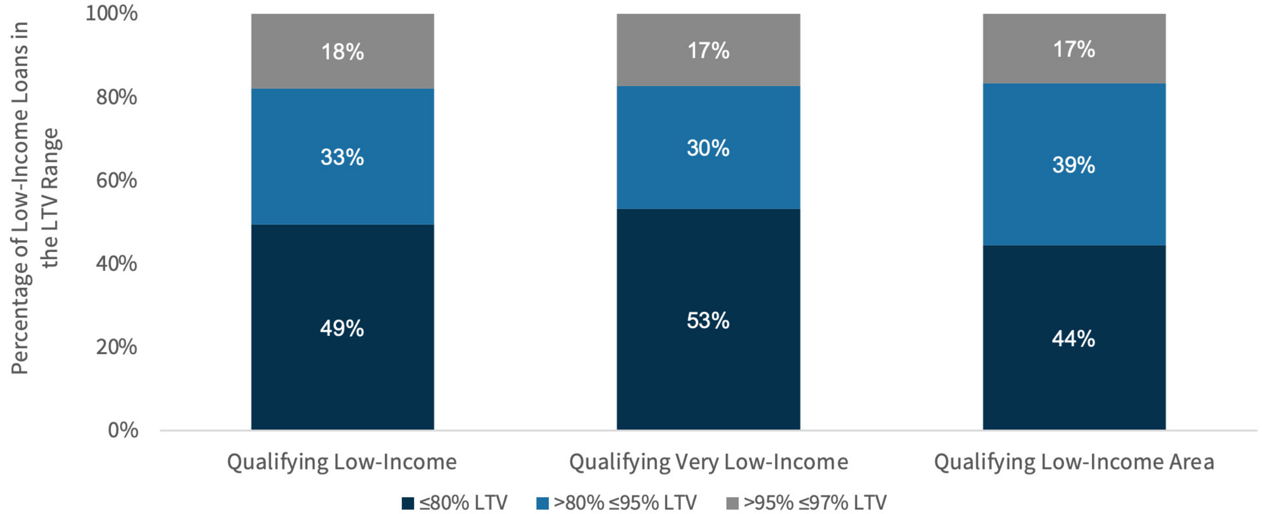
Fannie Mae's 2025 Multifamily Mortgage Purchases by Affordability Relative to AMI



Source: 2025 AMR Table 3A

Distribution of Fannie Mae's 2025 Single-Family Low-Income Home Purchases by LTV Category

The table below highlights how down payment levels vary among low-income and very low-income borrowers for mortgage loans acquired in 2025. A large majority of qualifying low-income and very low-income home purchase loans feature loan-to-value (LTV) ratios at or below 95%, indicating that most borrowers make a down payment of 5% or more. Nearly half of these borrowers make down payments exceeding 20%, reflecting a meaningful share of households with stronger up-front equity, an important factor for mitigating credit risk. Approximately 17% of low-income buyers leverage Fannie Mae's low down payment programs to reduce up-front costs, underscoring Fannie Mae's continued commitment to expanding access to sustainable homeownership safely and soundly. For additional information, refer to the "Reducing Up-Front Costs" section.



Source: 2025 AMR Table 11

Our Story in 2025

Expanding Housing Supply, Reducing Up-Front Mortgage Costs, Modernizing the Mortgage Process

This Annual Housing Activities Report provides a comprehensive look at our affordable housing initiatives, the business and community partners who help make them possible, and key insights into housing market conditions and lending standards. Together with the AMR, it includes information about the households, families, and individuals served by our single-family and multifamily mortgage programs.

Beyond the data is a story about how Fannie Mae's approximately 7,000 employees work to address America's most pressing housing challenges. In 2025, we met those challenges by driving progress in three critical areas that delivered tangible benefits to homebuyers and renters nationwide:

1. **Expanding** housing supply.
2. **Reducing** up-front mortgage costs.
3. **Modernizing** the mortgage process.

Expanding Housing Supply[8]

One of the greatest challenges to improving housing affordability is the persistent shortage of available homes. We estimate that the current housing stock is about 2 million to 5 million units short of what we would expect in a balanced market and is driven by obstacles in five areas: increasing costs of land, laws related to permitting and zoning, rising costs of lumber and other building materials, shortage of skilled labor, and difficulty accessing affordable lending/financing options. Fannie Mae is focused on enabling the creation of new units through scalable lending solutions.

In 2025, Fannie Mae introduced several product enhancements aimed at making it easier to finance the creation or preservation of affordable housing.

Fannie Mae enhanced its single-close Construction-to-Permanent (C-to-P) loan offerings to accelerate broader market adoption and better meet borrower needs. These enhancements are expected to drive growth in C-to-P acquisitions over time. While there is a lag between originations and acquisitions, early data on adoption has been promising; we will continue to monitor acquisition volume closely.

A large share of U.S. owner-occupied homes are older properties, with the median home age around 40 years and roughly 50% built before 1980. These homes often predate modern building standards and are more likely to contain lead-based paint and other hazards, disproportionately affecting low- and moderate-income families, who are also more likely to live in homes needing major repairs. Preservation, resiliency, and repair of these homes are key components of expanding housing supply. In 2025, Fannie Mae made multiple enhancements to both HomeStyle® Renovation and the newly rebranded HomeStyle® Refresh, which will provide more purchase or refinance renovation financing options to benefit consumers.

Addressing housing shortages requires strong local collaboration and solutions that meet unique needs of each community. In 2025, we worked with organizations

Advancing Rural Housing Supply With High Ground Housing

Housing Can't Wait: High Ground Housing*, led by the* ***Federation of Appalachian Housing Enterprises (Fahe)****, was launched in response to the 2022 floods in eastern Kentucky that destroyed thousands of homes and exposed longstanding housing vulnerabilities across the region.*

The initiative accelerates the development of resilient, affordable homes on elevated "high ground" sites, ensuring that flood-impacted households earning up to 80% of AMI have access to stable homeownership opportunities. Fahe partners with Team Kentucky and local developers to streamline construction, manage recovery compliance, and coordinate the full housing pipeline, from eligibility determination and financing through construction and homebuyer support.

To address the U.S. Department of Housing and Urban Development's (HUD) Community Development Block Grant Disaster Relief (CDBG-DR) bonding requirement, which often excludes small rural developers, Fahe introduced an Irrevocable Letter of Credit (ILOC) backed by a loan loss reserve. This structure safeguards state and federal interests while expanding participation in rebuilding efforts.

The initiative leverages CDBG-DR funding to provide subsidies of up to $200,000 per home, paired with down payment assistance and, where appropriate, conventional single-family financing. The first phase will deliver 40 homes by May 2026 using the ILOC model, supported by Fannie Mae.

The ILOC model demonstrates how innovative financial tools can expand housing access and accelerate rebuilding in disaster-impacted communities.

in Wisconsin, Kentucky, Virginia, and Texas to support community-driven efforts to create single-family homes affordable to first-time homebuyers. Through these partnerships, we developed templates that other communities can replicate. Our commitment to expanding the supply of affordable homes also led us to launch a rapid response request for proposals in 2025. Designed to accelerate production, this effort supported projects capable of delivering new homes within six months. The initiative strengthens Fannie Mae's presence in key markets, deepens collaboration with local partners, and underscores our focus on practical, high-impact strategies. Insights from this work are now serving as proof of concept and helping shape new approaches to addressing persistent housing supply challenges.

Accessory dwelling units (ADUs) — small, independent living spaces on the same lot as a primary single-family home — offer an important affordable housing option. Lenders can finance ADUs through a variety of Fannie Mae products, including HomeStyle Renovation and C-to-P loans. In 2025, Fannie Mae financed the creation or preservation of more than 10,000 ADUs.

Manufactured housing (MH) remains one of the most cost-effective ways to increase housing supply. In 2025, Fannie Mae introduced several product and policy enhancements to make it even more accessible for lenders, borrowers, and communities. To expand eligibility and better meet borrower needs, we enhanced Manufactured Home Advantage™, our flagship

> In 2025, Fannie Mae helped over 15,000 families secure affordable financing through manufactured housing solutions."

manufactured housing mortgage offering, by allowing single-section homes and by recognizing Freddie Mac's CHOICEHome® as an equivalent eligible design standard. These updates reflect direct feedback from the MH industry and housing advocates and will make it easier for lenders to deliver affordable financing and increase product adoption across markets.

Fannie Mae helped over 15,000 families secure affordable financing through manufactured housing solutions. We removed the $50,000 renovation cost cap on HomeStyle Renovation loans for manufactured homes, which will unlock greater investment in repairs. In 2025, we also announced enhancements to the upcoming Uniform Appraisal Dataset (UAD) 3.6 policy, effective March 2026, which will support innovative HUD-code designs to spur adoption of this affordable housing option in urban areas, including multistory and two- to four-unit configurations. It also expands ADU criteria for manufactured homes to meet the growing demand for flexible and affordable housing solutions.

To help industry partners prepare for and adopt these updates, we strengthened our industry engagement efforts through quarterly manufactured housing webinars, which attracted more than 730 participants in 2025. These sessions reinforced Fannie Mae's role as a trusted source of information, supported lender readiness, and promoted broader adoption of manufactured housing solutions.

From 1987 to 2015, the LIHTC program supported the construction or preservation of around 236,000 rental units.

Our housing supply expansion efforts extend to multifamily housing, where developing and preserving rental housing in rural communities presents unique challenges. Materials and laborers may need to travel long distances, adding to cost, while sparse populations limit the viability of large projects. The federal LIHTC program is one of the most significant and reliable mechanisms for delivering affordable rental housing in rural areas at scale. From 1987 to 2015, the LIHTC program supported the construction or preservation of around **236,000 rental units across nearly 1,600 rural counties nationwide**[9]. Under the U.S. Federal Housing direction, Fannie Mae's LIHTC investment strategy places a strong emphasis on rural communities, which we pursue through partnerships with tax credit syndicators who source, structure, and manage investments on behalf of capital providers like Fannie Mae.

Expanding Rural Housing Supply Through LIHTC Partnerships

*Among Fannie Mae's most long-standing LIHTC syndicator partners is the **Midwest Housing Equity Group (MHEG)**. Since 2018, Fannie Mae has invested more than $250 million in LIHTC equity through MHEG, supporting over 200 properties across 18 states and helping produce more than 8,600 affordable units representing $1.8 billion in development. As MHEG President and CEO John Wiechmann notes, "Rural markets can be challenging, but the need is undeniable and with the right partners like Fannie Mae, the results are outstanding."*

*One example is **Osborne View Estates**, a $5.6 million, 30-unit development in Hastings, Nebraska. Every unit serves low-income families. "Strong mission outcomes and strong asset performance can — and should — go together," Wiechmann says. "Osborne View Estate proves out that thesis."*

The property opened with a waitlist and continues to perform strongly, delivering the projected tax benefits.

"Osborne View Estates is a great example of what can happen when the right capital meets the right local development team," Wiechmann adds. "Hastings needed quality, affordable homes — built with durability and resident dignity in mind. With Fannie Mae's investment through MHEG, Osborne View Estates delivered exactly that and proves that rural LIHTC can be both impactful and investable."

Osborne View Estates. Photo courtesy of Midwest Housing Equity Group.

Since reentering the LIHTC equity market in 2018, Fannie Mae has invested over $5 billion in LIHTC equity, helping strengthen rental housing options for communities across the country.

In 2025, U.S. Federal Housing approved an increase to our annual LIHTC investment limit to $2 billion, up from $1 billion, reflecting the critical role LIHTC plays as a source of permanent financing for affordable rental housing. Since reentering the LIHTC equity market in 2018, Fannie Mae has invested over $5 billion in LIHTC equity, helping strengthen rental housing options for communities across the country.

Complementing these investments, our Multifamily business offers loan programs that incentivize property owners to preserve a portion of a property's units as affordable to low- and moderate-income renters. These programs helped preserve approximately 5,700 affordable rental units in 2025.

Beyond financing solutions, we invest in workforce development and local partnerships to address housing supply challenges related to the shortage of labor. Through our partnership with the Home Builders Institute (HBI), a national nonprofit offering free trade skills training, we help prepare the next generation of construction professionals. With support from Fannie Mae, HBI provided hands-on experience and industry-recognized credentials to hundreds of individuals in Tennessee, opening pathways to economic mobility and helping ensure that more skilled workers are available to support housing production.

Through our Rural Funding Initiative, we deposited $40 million in accounts insured by the Federal Deposit Insurance Corporation across four rural banks to support their housing lending in rural Oklahoma, Texas, and Arkansas. In 2024, these banks collectively reported more than $128 million in affordable housing and home-related financing, including small-dollar mortgage lending to help families purchase homes in rural communities that may not be served by traditional lenders.

Affordable housing supply remains a top priority for Fannie Mae in 2026. We will continue enhancing existing products and exploring new solutions to make financing new single-family and multifamily homes easier and less expensive. We believe the most impactful solutions will come from the ground up, shaped by community needs and resources. Fannie Mae is committed to supporting these solutions — and doing what we can to help scale them.

In 2025, we placed deposits with a small lender serving rural Oklahoma, contributing to a **$14 million** and a **13% increase** in its housing and affordable lending portfolio.

Reducing Up-Front Costs[10]

Up-front costs such as closing costs, prepaid items, and down payments can be a significant barrier to homeownership. For purchase mortgages acquired by Fannie Mae in 2025, median total closing costs plus prepaid items totaled $9,337, or about 2.6% of the purchase price[11] — a challenge for many prospective homebuyers, especially those with low or moderate incomes.

Fannie Mae aims to lower these expenses through technology-driven solutions and more efficient alternatives to common cost drivers. Alongside robust consumer education and down payment assistance programs, we work to help borrowers save money.

We begin by empowering consumers with mortgage knowledge tools available free of charge through HomeView — Fannie Mae's award-winning homebuyer education platform — and by providing tools that help borrowers identify and access down payment and closing cost assistance.

We also advance lower-cost alternatives to traditional closing-cost components. For example, through our title modernization efforts, Attorney Opinion Letters (AOLs) offer a cost-effective substitute for lenders' title insurance on certain mortgage transactions. Since 2022, AOLs have saved more than $7.1 million for over 7,100 families, further reducing barriers to affordable homeownership.

In addition, Fannie Mae continues to advance property valuation modernization, offering alternatives to traditional site-visit appraisals. These innovations have saved consumers approximately $2.7 billion since early 2020.

Our suite of reduced down payment products, including HomeReady® and HFA Preferred™, also plays a critical role in expanding affordable access to homeownership.

In 2025, these offerings helped more than 117,500 low- and moderate-income homebuyers achieve sustainable homeownership. In addition, Fannie Mae provided $25.3 million in down payment assistance to eligible HomeReady first-time homebuyers in 2025.

Together, these initiatives help eligible borrowers overcome common hurdles to first-time homeownership in a sustainable way, while maintaining the safety and soundness standards that are core to Fannie Mae's

business. In 2025, Fannie Mae continued to support first-time homebuyers, purchasing 363,659 loans to first-time homebuyers, which represented more than half of the single-family purchase mortgages we acquired during the year[12].

Fannie Mae's programs and products facilitating homeownership opportunities for first-time homebuyers in 2025 included the following:

Programs and products	Shares that went to first-time homebuyers
HomeReady	74%
HFA Preferred	95%
Standard 97% LTV	100%
Non-HFA Community Seconds	94%

Programs and products descriptions:

- **HomeReady** is an affordable lending product designed to help lenders serve more creditworthy low-income borrowers with down payments as low as 3%, flexible funding options, and more — including $2,500 in down payment or closing cost assistance.

- **Standard 97% LTV** allows LTV ratios up to a maximum of 97% for purchase transactions if at least one borrower is a first-time homebuyer.

- **HFA Preferred** is an affordable lending product offered exclusively through eligible Housing Finance Agencies (HFAs). The product waives most loan-level price adjustments and reduces mortgage insurance requirements for conventional loans at or below 80% of AMI, making sustainable homeownership more attainable.

- **Community Seconds®** is a program that enables borrowers to access conventional mortgage financing while receiving home purchase assistance through certain secondary mortgage financing programs that meet our requirements.

HOUSINGWIRE TECH 100

Income Calculator was chosen as a **2025 HousingWire Tech100 Mortgage Winner**.

Modernizing the Mortgage Process

Our approach to modernizing the mortgage process has made it easier for lenders to serve more creditworthy borrowers safely and soundly. By leveraging innovative technology and advanced data analytics, Fannie Mae has equipped the mortgage industry with enhanced tools for assessing credit risk, enabling lenders to serve more qualified borrowers — including those who have been historically overlooked.

For three decades, DU has been central to this progress. DU has transformed mortgage lending by helping lenders manage risk effectively while taking advantage of underwriting innovations that simplify the lending process and expand access to homeownership. From 2000 through 2024, DU has supported 7.9 million first-time homebuyers and enabled $11.4 trillion in mortgage funding[13]. From 2018 through 2024, DU was used to review over 60% of all closed single-family conventional loans nationwide[14], underscoring its impact and reach across the industry.

Building on DU's foundation, Fannie Mae was the first to integrate positive rent payment history and cashflow assessment enhancements into its automated underwriting system. Through the DU validation service, lenders can use a single report to verify borrowers' assets, income, and employment, while also evaluating rent payment history and cashflow patterns to open doors for more qualified borrowers. This streamlined approach enables lenders to assess a consumer's ability to sustain mortgage payments with greater confidence. In 2025 alone, **more than 20,000** loans achieved full validation of assets, income, and employment using a single 12-month asset report, **more than 4,300** mortgage applications benefited from positive rent payment history, and **more than 240,000 applications used cashflow** assessments to evaluate eligibility.

In addition, lenders can leverage Fannie Mae's free Income Calculator tool to determine eligible self-employment, business ownership, and rental income. **In 2025, lenders completed over 225,000 Income Calculator evaluations**, further expanding access to sustainable homeownership.

Fannie Mae's modernization efforts extend beyond single-family underwriting. The Near-Stabilization execution provides permanent mortgage loan financing for newly constructed or recently renovated conventional and affordable multifamily apartment communities that are expected to achieve stabilized occupancy within a certain timeframe. This execution serves as a powerful source of permanent loan financing designed to support the construction or significant renovation of multifamily properties nationwide. By offering flexible loan terms, competitive pricing, prepayment flexibility, and certainty of execution, the Near-Stabilization execution is an effective solution for borrowers with a strong lease-up track record who are working to bring more quality housing to the market.

7.9 million
first-time homebuyers underwritten with DU*

$11.4 trillion
in mortgage funding enabled by DU*

62%
of all conventional closed single-family loans market-wide were reviewed by DU**

**Based on internal reporting data from 2000 – 2024*
***Based on Home Mortgage Disclosure Act (HMDA) data from 2018 – 2024*

Duty to Serve

Driving the Future of Affordable Housing

True to our mission and our Duty to Serve, Fannie Mae is leading efforts to expand access to affordable housing across America.

The Duty to Serve is a statutory requirement that directs Fannie Mae to support very low-, low-, and moderate-income families in three historically underserved markets — manufactured housing, affordable housing preservation, and rural housing[15]. In these key underserved markets, our innovative solutions are helping more families achieve the stability and security of an affordable place to call home. We are advancing sustainable homeownership, fostering safe and healthy rental communities, and collaborating with stakeholders to strengthen the housing finance system.

Making a difference in underserved markets

- **Manufactured Housing**
  We are helping expand access to sustainable and affordable homeownership and rental opportunities.
- **Affordable Housing Preservation**
  We are moving forward with new approaches to preserving and expanding affordable housing options.
- **Rural Housing**
  We are tackling affordability obstacles nationwide, including Appalachia, Native American areas, and farm worker communities.

2025 Impact by the Numbers

Single-Family

Manufactured Housing: Provided **$979M** in liquidity through the purchase of **~5K** loans

Rural Housing: Provided **$21.2B** in liquidity through the purchase of **~106K** loans

Affordable Housing Preservation: Provided **$109.3M** in liquidity through the purchase of **~500** loans

Multifamily

Manufactured Housing: Provided **$1.5B** in liquidity, financing **30.6K** units

Rural Housing: Provided **$3.5B** in liquidity, financing **38.3K** units

Affordable Housing Preservation: Provided **$6.9B** in liquidity, financing **51.4K** units

Housing Goals[16]

Fannie Mae is required by statute and regulation to meet annual housing goals established by U.S. Federal Housing[17].

Single-Family Housing Goals

We believe we met all the benchmarks for our 2025 single-family housing goals. U.S. Federal Housing will make a final determination regarding our 2025 single-family housing goals performance later in 2026, after the release of 2025 data reported under the Home Mortgage Disclosure Act (HMDA)[18].

Fannie Mae's 2025 Single-Family Affordable Housing Goals Performance

Single-family housing goals	2025 benchmark	2025 single-family market level	2025 result
Low-income home purchase goal[19]	25%	TBD	29.5%
Very low-income home purchase goal[20]	6%	TBD	7.0%
Low-income areas home purchase goal[21]	21%	TBD	30.4%
Minority census tracts home purchase subgoal[22]	12%	TBD	13.5%
Low-income census tracts home purchase subgoal[23]	4%	TBD	9.3%
Low-income refinancing goal[24]	26%	TBD	33.0%

Note: Refer to the 2025 AMR Table 1A for details.

For single-family goals, our acquisitions are measured annually against the lower of benchmarks set in advance or the actual share of goal-eligible originations in the primary mortgage market by U.S. Federal Housing, retrospectively using data submitted by lenders under the HMDA. The single-family benchmarks are expressed as a percentage of the total number of goal-eligible single-family mortgages acquired by Fannie Mae each year.

194K very low- and low-income purchase mortgages acquired, $43.6 billion UPB.

46K very low-income purchase mortgages acquired, $7.3 billion UPB.

86K low-income refinance mortgages acquired, $15.2 billion UPB.

Multifamily Housing Goals

We believe we met all of our 2025 multifamily housing goals. U.S. Federal Housing will make a final determination regarding our 2025 multifamily housing goals performance later in 2026.

Fannie Mae's 2025 Multifamily Affordable Housing Goals Performance

Multifamily housing goals	2025 benchmark	2025 result
Low-income goal[25]	61%	70.5%
Very low-income goal[26]	14%	14.1%
Low-income areas home purchase goal[27]	2%	2.5%

Note: Refer to the 2025 AMR Table 1B for details.

Our multifamily housing goals are based on the percentage share of goal-eligible units in our annual multifamily loan acquisitions that are affordable to each income category.

351K

very low- and low-income purchase units financed, $40 billion UPB

70K

very low-income purchase units financed, $6.8 billion UPB

Industry Partnerships That Strengthen Affordable Housing[28]

1,387
Single-family sellers and servicers

37
Multifamily lenders

Supporting a Wide Range of Business Partners[29]

We work with partners operating in the primary mortgage market, where loans are originated and funds are provided to borrowers. We partner with over 1,400 lenders nationwide, both large and small, including mortgage banking companies, savings and loan associations, savings banks, commercial banks, credit unions, community banks, private mortgage originators, and state and local housing finance agencies (HFAs). Our multifamily lenders include mortgage banking companies, large diversified financial institutions, and banks[30].

Partnering With HFAs and Leveraging Public Financing To Expand Homeownership[31]

Fannie Mae works closely with state and local HFAs and other public subsidy programs to expand access to affordable and sustainable homeownership. HFAs remain essential partners in addressing both affordability and supply challenges. As major issuers of mortgage revenue bonds and providers of down payment assistance, HFAs help reduce borrowing costs and bridge affordability gaps for low- to moderate-income homebuyers.

Fannie Mae continues to serve low- to moderate-income homebuyers through HFA Preferred, an affordable lending product offered exclusively through eligible HFAs. HFA Preferred waives most loan-level price adjustments and reduces mortgage insurance requirements for conventional loans at or below 80% of AMI, making sustainable homeownership more attainable.

In 2025, HFAs frequently paired HFA Preferred with their own down payment and closing-cost assistance to further improve affordability for first-time homebuyers.

70 state and local HFA relationships

$6.6 billion HFA Preferred volume

At Fannie Mae's 2025 HFA Summit, we highlighted how HFAs are using innovative financing strategies to expand affordable housing, overcome market constraints, and develop scalable models that strengthen communities.

In addition to our work with HFAs, Fannie Mae supports affordable lending through a range of public programs, including select single-family and multifamily programs associated with HUD and the Rural Housing Service, other government-insured or government-related programs, and mortgages supported by LIHTCs. These programs provide critical liquidity to the housing market and complement the affordability benefits offered through HFA partnerships.

$10 billion total UPB, including 8,500 single-family mortgages and over 390 multifamily mortgages originated in conjunction with public subsidy programs.

Industry Partnerships

Housing Counseling

Fannie Mae provides borrowers with access to housing counseling services focused on post-purchase support and home retention, helping promote long-term, sustainable homeownership. In 2025, Fannie Mae supported over 23,260 housing counseling engagements.

Consumers can access counseling in a way that works best for them — via phone at 855-Here2Help, by online appointment requests and live-chat sessions, or using self-paced online counseling tools. In 2025, consumers submitted over 1,400 appointment requests and logged 60,000 minutes of live-chat support.

Servicers referred **25,000+ borrowers** to counseling through the PMC program in 2025.

We also continued to support borrowers whose loans have been modified because of a financial hardship through our Post-Modification Counseling (PMC) program.

Pre-Purchase Housing Counseling

In 2025, Fannie Mae launched a Pre-Purchase Housing Counseling Initiative in partnership with four local and national counseling intermediaries.

In 2025:

6,200+ households received one-on-one pre-purchase housing counseling.

7,200+ participants received homeownership education.

11,400+ participants qualified for down payment assistance.

2,600+ participants achieved homeownership.

Affordable Housing Advisory Council (AHAC)

The AHAC — established in the Fannie Mae Charter Act — meets twice yearly and offers a forum for leaders from different segments of the housing industry to come together to discuss shared industry challenges and advise Fannie Mae on how we can best support the development and financing of affordable housing. Council members represent a diverse array of organizations connected to housing finance, including single-family and multifamily lenders, public entities, academic institutions, trade associations, and affordable housing nonprofits. Members of Fannie Mae's senior management team both host and participate in these meetings, ensuring that insights from industry partners directly inform our strategy and initiatives.

Housing Stabilization at the Community Level

Community First by Fannie Mae™ helps stabilize neighborhoods by offering community-minded buyers, including nonprofits and public entities, exclusive access to view and make offers on Fannie Mae real estate owned (REO) properties before they are available to the general public. We also connect public entities with down payment assistance (DPA) resources to make homes more affordable for owner-occupant buyers.

To help preserve housing supply and support neighborhood stabilization, Fannie Mae invests directly in improvements to our single-family REO properties. In 2025, we invested approximately $390 million in the repair and rehabilitation of REO homes. These improvements, which may include installing energy- and water-efficient products and addressing environmental or health concerns, make homes more affordable to own and support REO sales to owner-occupant buyers. Approximately 92% of our repaired REO properties sold in 2025 were purchased by owner-occupants.

In 2025, Fannie Mae facilitated the sale of 392 single-family REO properties to Community First or DPA buyers.

Rural Studio Partnership

In 2025, Fannie Mae worked with Auburn University's Rural Studio and Habitat for Humanity to build more than 45 resilient homes, structures designed to withstand and recover from severe weather events, natural disasters, and weather-related stresses. This collaboration supports families recovering from disasters while expanding local housing pipelines. Together, we introduced new home prototypes, design variations, and site strategies tailored to improve resilience, helping communities rebuild stronger and prepare for future risks.

Shared Equity

Shared equity programs are a powerful tool for helping low- and moderate-income households achieve homeownership while preserving long-term affordability. These programs balance wealth building while preserving the subsidy to create long-term affordable homeownership. Typically administered by nonprofits or government agencies, these programs sell homes at below-market prices. In return, when the homeowner sells, the property must be resold at a restricted price to another low- to moderate-income buyer.

480+ shared equity loans — **93%** for first-time homebuyers — from **59** lenders across **28** states.

Fannie Mae purchases loans originated through a range of shared equity models, including Community Land Trusts and Income and Resale Price Restriction programs. These loans historically perform well, present low risk, and help us expand access to affordable housing. In 2025, Fannie Mae conducted outreach to more than 200 programs, increasing the number of certified shared equity programs to over 135 across 34 states. This certification helps shared equity programs gain visibility with lenders, while giving lenders greater certainty that participating programs meet key *Selling Guide* and Duty to Serve requirements.

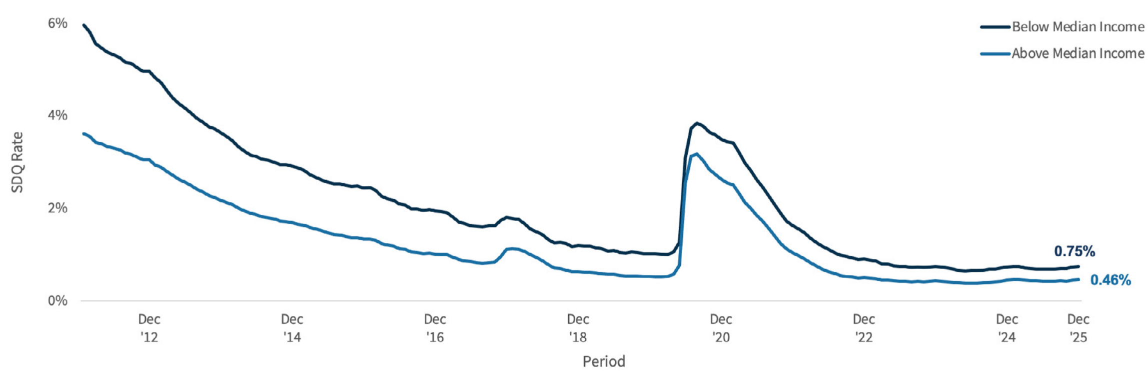
Single-Family and Multifamily Market Observations

Single-Family Delinquency and Default Trends[32]

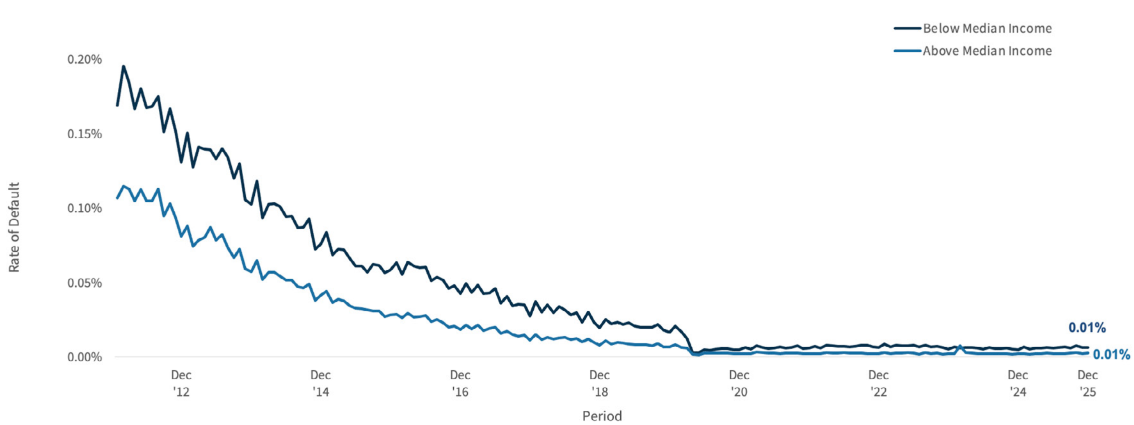
Fannie Mae closely monitors borrower delinquency and default trends, including differences by income levels, using a variety of performance metrics. As of year-end 2025, the serious delinquency rate for single-family conventional loans guaranteed by Fannie Mae based on loan count was 0.58%, reflecting near historic low levels.

The charts below provide a breakdown of delinquency rates and default rates by borrower income group.

Single-Family Book of Business Serious Delinquency Rates by Income Level



Single-Family Book of Business Default Rates by Income Level



Relative 90-Day+ Delinquency and Default Rates Between Single-Family Loans Serving Low- and Moderate-Income Families and Loans Serving Families With Income Above the Median Level, by Year[33, 34]

Acquisition Year	Income Group	Average Rate of 90-Day Delinquency (%)	Percent Difference (%)	Average Rate of Default (%)	Percent Difference (%)
2015	Above Median Income	0.11		0.14	
	Low-Mod Income	0.26	141	0.46	234
2016	Above Median Income	0.14		0.08	
	Low-Mod Income	0.27	94	0.32	285
2017	Above Median Income	0.42		0.09	
	Low-Mod Income	0.50	18	0.33	266
2018	Above Median Income	0.21		0.09	
	Low-Mod Income	0.42	101	0.31	246
2019	Above Median Income	2.61		0.04	
	Low-Mod Income	2.80	7	0.16	313
2020	Above Median Income	1.12		0.01	
	Low-Mod Income	1.34	19	0.07	399
2021	Above Median Income	0.33		0.02	
	Low-Mod Income	0.48	47	0.09	283
2022	Above Median Income	0.59		0.10	
	Low-Mod Income	0.69	17	0.18	79
2023	Above Median Income	0.41		0.06	
	Low-Mod Income	0.57	40	0.11	94
2024	Above Median Income	0.37		0.01	
	Low-Mod Income	0.69	88	0.04	256

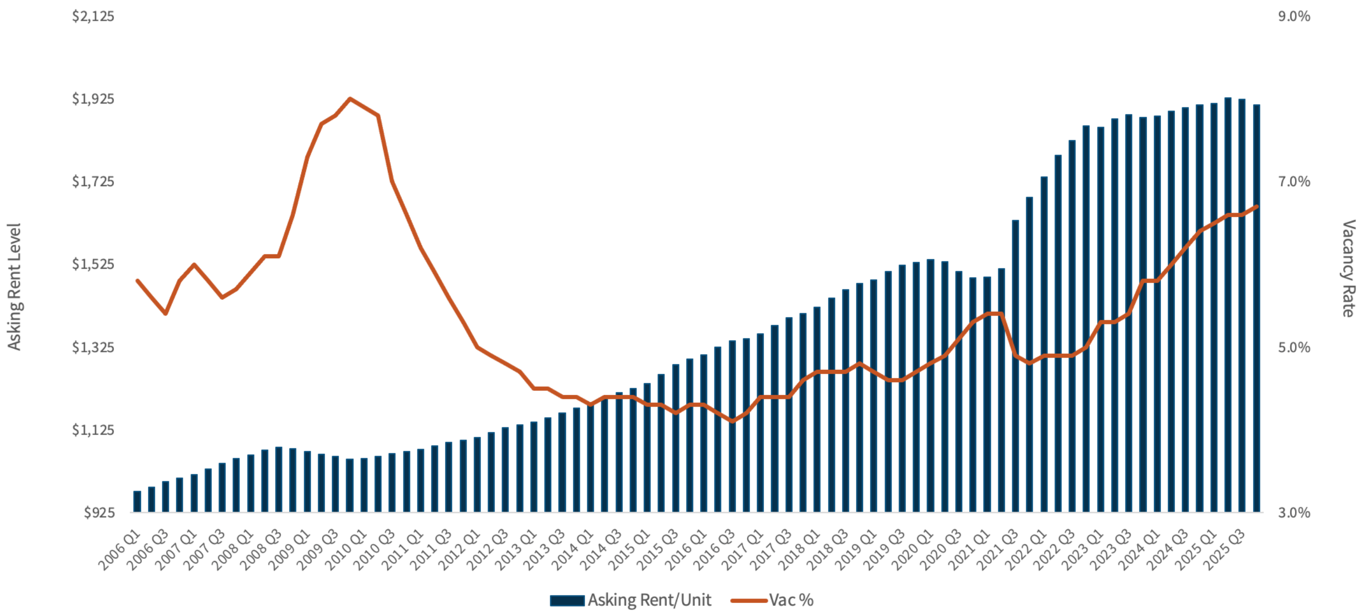
Source: Internal Fannie Mae delinquency data

Multifamily Housing Market Trends[35, 36]

Over the past decade, the U.S. multifamily sector has generally benefited from solid demand, increasing rent growth, and low vacancies, due to favorable demographic trends, steady job creation, and continued renter household formations.

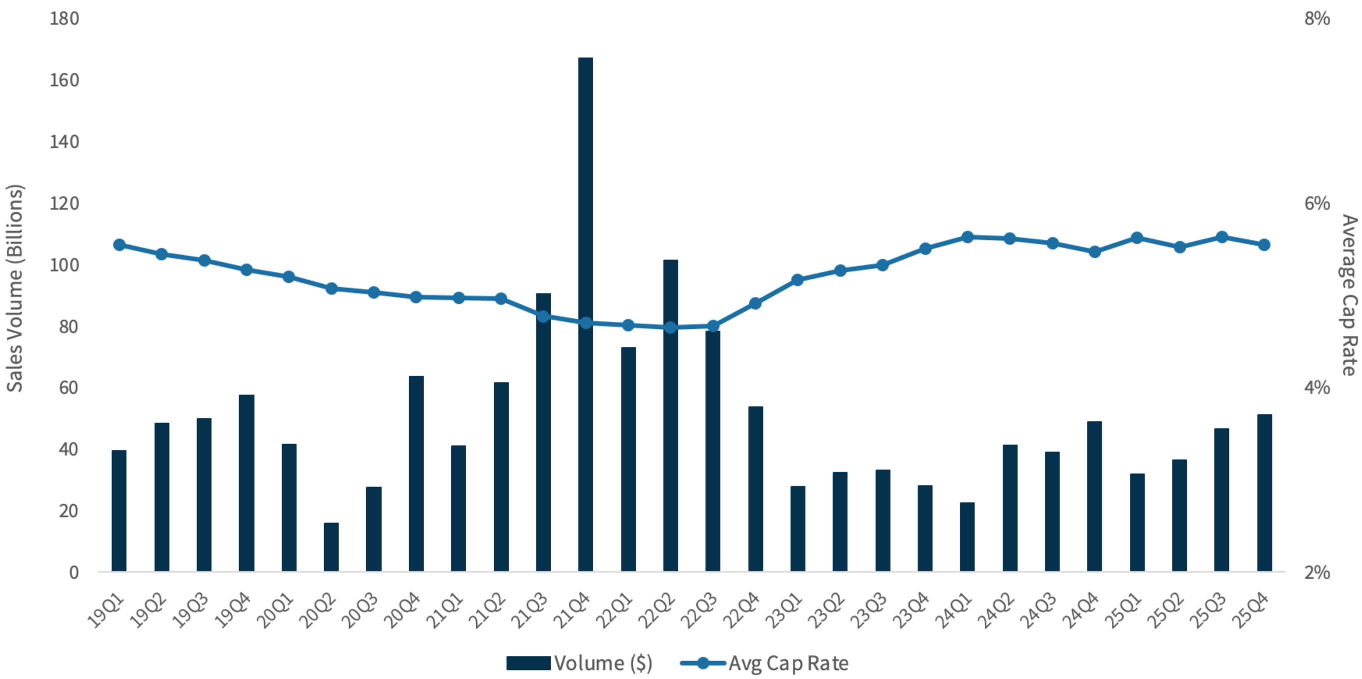
However, that long-term trend was interrupted in 2022, when mortgage rates and capitalization rates increased. In 2025, there was a continuation of the tepid growth and uncertainty in the market, with multifamily rental growth estimated to have turned negative during the second half of the year, keeping annual effective rent growth flat, and vacancy also ended the year higher.

Estimated Multifamily Rent and Vacancy



Source: Fannie Mae MF ESIR from Moody's CRE / REIS - Q4 2025

Estimated National Apartment Sales Volume and Capitalization Rates



Source: Fannie Mae MF ESIR from MSCI RCA - Q4 2025

Multifamily property sales volumes increased in 2025, after a number of years of slow activity, while property values were down slightly year-over-year, according to the most recent data from MSCI Real Assets. Multifamily property capitalization rates were estimated at 5.5% in Q4 2025, higher than the 2020-2022 average, but aligned with longer term trends.

Multifamily Standardization and Securitization

Over the past three decades, there has been a steady move toward greater standardization and more transparent disclosure in commercial real estate securitizations. This evolution supports more liquid trading in the capital markets, where Fannie Mae is an active participant. More transparent and standardized securitizations allow for more efficient origination and loan pricing, and facilitate the placement of multifamily loans, in the form of MBS, with investors. Fannie Mae's DUS program, launched in 1988, introduced uniform underwriting, documentation, and risk-sharing at scale. Industry disclosure practices continued to evolve with the introduction of the Commercial Real Estate Finance Council (CREFC) Investor Reporting Package (IRP), and in 2017, Fannie Mae aligned and expanded its loan level and ongoing performance reporting with the IRP through the implementation of DUS Disclose, Fannie Mae's in-house multifamily securities disclosure platform.

$72.7 billion issued in Multifamily MBS, representing 99% of our annual Multifamily production.

Index

Charter Act Requirement	Citation	Page	Location in Document
Include, in aggregate form and by appropriate category, statements of the dollar volume and number of mortgages on owner-occupied and rental properties purchased which relate to each of the annual housing goals.	12 U.S.C. § 1723a(n)(2)(A)	21	Housing Goals
Include, in aggregate form and by appropriate category, statements of the number of families served by [Fannie Mae], the income class, race, and gender of homebuyers served, the income class of tenants of rental housing (to the extent such information is available), the characteristics of census tracts, and the geographic distribution of the housing financed.	12 U.S.C. § 1723a(n)(2)(B	5, 9	Business Overview Serving Low- and Moderate-Income Families See also 2025 AMR tables 1A, 1B, 2, 3A, 5A, 5B, 6, 7, 8A, 8B, 10A and 10B.
Include a statement of the extent to which the mortgages purchased by [Fannie Mae] have been used in conjunction with public subsidy programs under Federal law.	12 U.S.C. § 1723a(n)(2)(C)	23	HFA Partnerships & Public Financing
Include statements of the proportion of mortgages on housing consisting of 1 to 4 dwelling units purchased by [Fannie Mae] that have been made to first-time homebuyers, as soon as providing such data is practicable, and identifying any special programs (or revisions to conventional practices) facilitating homeownership opportunities for first-time homebuyers.	12 U.S.C. § 1723a(n)(2)(D)	16	Reducing Up-Front Costs
Include, in aggregate form and by appropriate category, the data provided to the [Director] under subsection (m)(1)(B) [i.e., the loan-to-value ratios of purchased mortgages at the time of origination].	12 U.S.C. § 1723a(n)(2)(E)	9	Serving Low- and Moderate-Income Families See also 2025 AMR table 11
Compare the level of securitization versus portfolio activity.	12 U.S.C. § 1723a(n)(2)(F)	8	Providing Liquidity to the Mortgage Market
Assess underwriting standards, business practices, repurchase requirements, pricing, fees, and procedures that affect the purchase of mortgages for low- and moderate-income families, or that may yield disparate results based on the race of the borrower, including revisions thereto to promote affordable housing or fair lending.	12 U.S.C. § 1723a(n)(2)(G)	11, 32	Expanding Housing Supply Endnotes (#8)
Describe trends in both the primary and secondary multifamily housing mortgage markets, including a description of the progress made, and any factors impeding progress toward standardization and securitization of mortgage products for multifamily housing.	12 U.S.C. § 1723a(n)(2)(H)	28	Multifamily Housing Market Trends

Describe trends in the delinquency and default rates of mortgages secured by housing for low- and moderate-income families that have been purchased by [Fannie Mae], including a comparison of such trends with delinquency and default information for mortgage products serving households with incomes above the median level that have been purchased by the corporation, and evaluate the impact of such trends on the standards and levels of risk of mortgage products serving low- and moderate-income families.	12 U.S.C. § 1723a(n)(2)(I)	26	Single-Family Delinquency and Default Trends
Describe in the aggregate the seller and servicer network of [Fannie Mae], including the volume of mortgages purchased from minority-owned, women-owned, and community-oriented lenders, and any efforts to facilitate relationships with such lenders.	12 U.S.C. § 1723a(n)(2)(J)	23, 32	Supporting a Wide Range of Business Partners Endnotes (#30)
Describe the activities undertaken by [Fannie Mae] with nonprofit and for-profit organizations and with state and local governments and housing finance agencies, including how [Fannie Mae's] activities support the objectives of comprehensive housing affordable strategies under section 105 of Cranston-Gonzalez National Affordable Housing Act.	12 U.S.C. § 1723a(n)(2)(K)	23	Industry Partnerships That Strengthen Affordable Housing

Endnotes

1. 12 U.S.C. § 1723a(n)(2)(B): "Include, in aggregate form and by appropriate category, statements of the number of families served by [Fannie Mae], the income class, race, and gender of homebuyers served, the income class of tenants of rental housing (to the extent such information is available), the characteristics of census tracts, and the geographic distribution of the housing financed."
2. The AMR is provided pursuant to 12 U.S.C. § 1723a(m).
3. 12 U.S.C. § 1723a(n)(2)(F): "Compare the level of securitization versus portfolio activity."
4. Fannie Mae's 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.
5. 12 U.S.C. § 1723a(n)(2)(B): "Include, in aggregate form and by appropriate category, statements of the number of families served by [Fannie Mae], the income class, race, and gender of homebuyers served, the income class of tenants of rental housing (to the extent such information is available), the characteristics of census tracts, and the geographic distribution of the housing financed." See also 2025 AMR tables 1A, 1B, 3A, 5A, 5B, 6, 7, 8A, 8B, 10A, and 10B.
6. 12 U.S.C. § 1723a(n)(2)(E): "Include, in aggregate form and by appropriate category, the data provided to the [Director] under subsection (m)(1)(B) [i.e., the loan-to-value ratios of purchased mortgages at the time of origination]." See also 2025 AMR table 11 for the complete distribution of single-family owner-occupied mortgage purchases by LTV category.
7. The terms "low-income" and "moderate-income" are defined in 12 U.S.C. § 4502 to mean, in the case of owner-occupied units, income not in excess of 80% of AMI and income not in excess of 100% of AMI, respectively.
8. 12 U.S.C. § 1723a(n)(2)(G): "Assess underwriting standards, business practices, repurchase requirements, pricing, fees, and procedures that affect the purchase of mortgages for low- and moderate-income families, or that may yield disparate results based on the race of the borrower, including revisions thereto to promote affordable housing or fair lending." Fannie Mae complies with all applicable laws and regulations related to fair housing and lending. To uphold this commitment, we maintain an enterprise-wide compliance program designed to identify, assess, monitor and mitigate consumer protection risks, including those related to fair housing and lending. As per our charter, this program promotes fair and responsible housing practices across all aspects of our operations, including our underwriting standards, repurchase requirements, business practices, pricing policies, fee structures, and procedures. Through this comprehensive approach, we work to maintain strong consumer protections across our business.
9. Why the Low-Income Housing Tax Credit Matters for Rural Communities | Urban Institute
10. 12 U.S.C. § 1723a(n)(2)(D): "Include statements of the proportion of mortgages on housing consisting of 1 to 4 dwelling units purchased by [Fannie Mae] that have been made to first-time homebuyers, as soon as providing such data is practicable, and identifying any special programs (or revisions to conventional practices) facilitating homeownership opportunities for first-time homebuyers."
11. Represents the total non-down payment funds needed at the time of closing a home purchase loan, including loan closing costs, prepayments, and initial escrow amounts.
12. Refer to Fannie Mae's Single-Family *Selling Guide* for definition of a first-time homebuyer.
13. Based on internal reporting data from 2000 - 2024.
14. Based on Home Mortgage Disclosure Act (HMDA) data from 2018 - 2024.
15. 12 U.S.C. § 4565(a); 12 C.F.R. part 1282, subpart C.
16. 12 U.S.C. § 1723a(n)(2)(A): "Include, in aggregate form and by appropriate category, statements of the dollar volume and number of mortgages on owner-occupied and rental properties purchased which relate to each of the annual housing goals."
17. 12 U.S.C. §§ 4561-4563; 12 C.F.R. part 1282, subpart B.
18. 12 U.S.C. §§ 2801 et seq.
19. Home purchase mortgages on single-family, owner-occupied properties to borrowers with incomes no greater than 80% of AMI.
20. Home purchase mortgages on single-family, owner-occupied properties to borrowers with incomes no greater than 50% of AMI.
21. The benchmark level for the low-income areas housing goal is set annually by U.S. Federal Housing based on the sum of (a) the benchmark level for the minority census tracts home purchase subgoal, (b) the benchmark level for the low-income census tracts home purchase subgoal, plus (c) an adjustment factor reflecting the additional incremental share of home purchase mortgages on single-family, owner-occupied properties to borrowers with incomes no greater than 100% of AMI who are located in federally declared disaster areas. U.S. Federal Housing set the disaster areas increment for 2025 at 5%, resulting in a low-income areas home purchase goal benchmark of 21% for 2025.
22. Home purchase mortgages on single-family, owner-occupied properties to borrowers with incomes no greater than 100% of AMI in minority census tracts. Minority census tracts are those that have a minority population of at least 30% and a median income of less than 100% of AMI.
23. (i) Home purchase mortgages on single-family, owner-occupied properties to borrowers (regardless of income) in low-income census tracts that are not minority census tracts, and (ii) home purchase mortgages on single-family, owner-occupied properties to borrowers with incomes greater than 100% of AMI in low-income census tracts that are also minority census tracts. Low-income census tracts are those where the median income is no greater than 80% of AMI.
24. Refinance mortgages on single-family, owner-occupied properties to borrowers with incomes no greater than 80% of AMI.
25. Affordable to low-income families, defined as families with incomes no greater than 80% of AMI.
26. Affordable to very low-income families, defined as families with incomes no greater than 50% of AMI.
27. Units in small multifamily properties (defined as properties with 5 – 50 units) affordable to low-income families.
28. 12 U.S.C. § 1723a(n)(2)(K): "Describe the activities undertaken by [Fannie Mae] with nonprofit and for-profit organizations and with state and local governments and housing finance agencies, including how [Fannie Mae's] activities support the objectives of comprehensive housing affordable strategies under section 105 of Cranston-Gonzalez National Affordable Housing Act."
29. 12 U.S.C. § 1723a(n)(2)(J): "Describe in the aggregate the seller and servicer network of [Fannie Mae], including the volume of mortgages purchased from minority-owned, women-owned, and community-oriented lenders, and any efforts to facilitate relationships with such lenders."
30. The volume of mortgages purchased through Fannie Mae's seller and servicers network includes: $13.0 billion from minority-or women-owned lenders; $5.3 billion from women-owned lenders; and $92.8 billion from community-oriented lenders. For these purposes, a "community-oriented lender" is defined as a financial institution with total assets of less than $1.609 billion as of Dec. 31, 2024. This definition parallels the definition of "small bank" under the implementing regulations of the Community Reinvestment Act (12 C.F.R. § 228.12).

31. 12 U.S.C. § 1723a(n)(2)(C): "Include a statement of the extent to which the mortgages purchased by [Fannie Mae] have been used in conjunction with public subsidy programs under Federal law."
32. 12 U.S.C. § 1723a(n)(2)(I): "Describe trends in the delinquency and default rates of mortgages secured by housing for low- and moderate-income families that have been purchased by [Fannie Mae], including a comparison of such trends with delinquency and default information for mortgage products serving households with incomes above the median level that have been purchased by the corporation, and evaluate the impact of such trends on the standards and levels of risk of mortgage products serving low- and moderate-income families."
33. The table shows 90-day+ delinquencies occurring within the first 12 months of acquisition and defaults (defined as a foreclosure sale, deed-in-lieu of foreclosure, pre-foreclosure sale, or third-party sale, at any point during the life of the loan) on single-family loans made to low- and moderate-income borrowers compared to loans made to borrowers with incomes above the median level, by acquisition year. This analysis is based on income relative to AMI and does not control for other risk characteristics, such as LTV ratio or credit history, that may influence loan delinquency and default rates. Data on serious delinquency and default rates reflect acquisitions through December 2024, with loan performance reported through December 2025.
34. Sample used: unseasoned, conforming, conventional, owner-occupied, first-lien, non-reverse mortgages, excluding Growing-Equity Mortgages, Graduated Payment Mortgages, and loans missing affordability data. In addition, the likelihood of 90-day delinquency percentages shown are static and only reflect if a loan went delinquent in the first year.
35. 12 U.S.C. § 1723a(n)(2)(H): "Describe trends in both the primary and secondary multifamily housing mortgage markets, including a description of the progress made, and any factors impeding progress toward standardization and securitization of mortgage products for multifamily housing."
36. This section contains a number of forward-looking statements, including statements regarding future economic and housing conditions and the factors that will impact them. These forward-looking statements are based on the company's current assumptions regarding numerous factors, and actual outcomes may be very different, perhaps materially, as a result of macroeconomic, market, and geopolitical issues, including the factors identified in our discussion. Opinions, analyses, estimates, forecasts, and other views of Fannie Mae's Economic and Strategic Research (ESR) group included in this section should not be construed as indicating Fannie Mae's business prospects or expected results, are based on a number of assumptions, and are subject to change without notice. How this information affects Fannie Mae will depend on many factors. Although ESR bases its opinions, analyses, estimates, forecasts, and other views on information it considers reliable, it does not guarantee that the information provided in these materials is accurate, current, or suitable for any particular purpose. Changes in the assumptions or the information underlying these views could produce materially different results. The analyses, opinions, estimates, forecasts, and other views published by ESR represent the views of that group as of the date indicated and do not necessarily represent the views of Fannie Mae or its management.