

Fannie Mae Progress Report

Q4 AND FULL YEAR 2014

As of Dec. 31, 2014

OUR PURPOSE

- We continue to focus on supporting the housing market recovery and helping to build a sustainable housing finance system.
- Our priorities are aligned with the public interest.
- We are committed to providing liquidity to the mortgage market; assisting troubled borrowers; enabling families to buy, refinance, or rent homes; and building a book of business that will help protect Americans' investment in the company.

OUR RESULTS Q4 AND FULL YEAR 2014

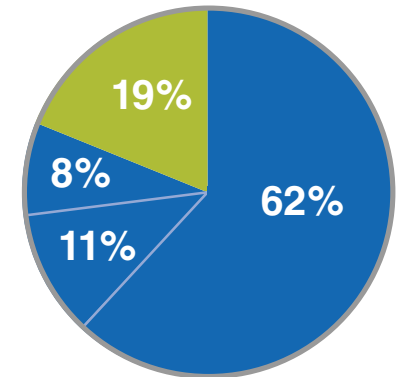
<p>Net income for 2014</p> <p>\$14.2 BILLION</p>	<p>Comprehensive income for 2014</p> <p>\$14.7 BILLION</p>
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- Primary drivers of our 2014 results were strong revenues from net interest income and income from settlement agreements related to private-label mortgage-related securities sold to us.
- We also recognized credit-related income due primarily to increasing home prices during the year.
- These results were partially offset by a provision for federal income taxes and fair value losses due to declines in longer-term interest rates in 2014.

<p>Net income for Q4 2014</p> <p>\$1.3 BILLION</p>	<p>Comprehensive income for Q4 2014</p> <p>\$1.3 BILLION</p>
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- Key drivers of our fourth quarter 2014 results were net interest income, partially offset by fair value losses due to declines in longer-term interest rates in the quarter.

SINGLE-FAMILY BOOK OF BUSINESS AS OF DECEMBER 31, 2014



- Single-Family loans acquired prior to 2009 = 19%
- Single-Family loans acquired 2009 through 2014 = 81%
 - 62% Excluding HARP and other Refi Plus loans
 - 11% HARP loans
 - 8% Other Refi Plus loans

- We maintain responsible credit standards while making it possible for families to purchase, refinance, or rent homes.
- Beginning in 2008, we significantly strengthened our underwriting and eligibility standards and changed our pricing to promote sustainable homeownership and stability in the housing market. As a result, the credit quality of our book of business has improved.

FANNIE MAE PERFORMANCE SNAPSHOT Q4 AND FULL YEAR 2014

- Remained the largest single issuer of single-family mortgage-related securities in the secondary market in Q4 and full year 2014, and remained a leading source of financing and securitization in the multifamily market.
- Funded the market with ~\$434 billion in liquidity in 2014 (~\$128 billion in Q4 2014), which enabled borrowers in 2014 to complete: ~887K home purchases (~243K in Q4 2014) and ~937K refinancings (~264K in Q4 2014), and provided financing for ~446K units of multifamily housing (~157K in Q4 2014).
- Refinanced ~302K loans in 2014 and ~60K loans in Q4 2014 through the company's Refi Plus™ initiative, including loans refinanced under the Administration's Home Affordable Refinance Program® (HARP®). Refinancings delivered through Refi Plus in Q4 2014 reduced borrowers' monthly mortgage payments by an average of \$172.
- Helped distressed families retain their homes or avoid foreclosure through ~165K workout solutions in 2014 (~34K in Q4 2014), including ~123K loan modifications in 2014 (~26K in Q4 2014).

For more information, see our 2014 Form 10-K Report, filed with the SEC on February 20, 2015.



www.fanniemae.com/progress

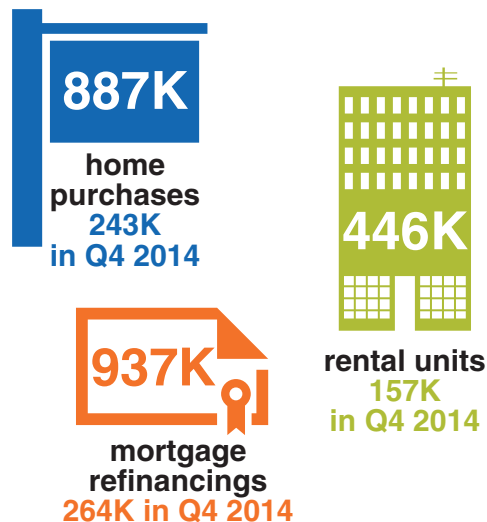


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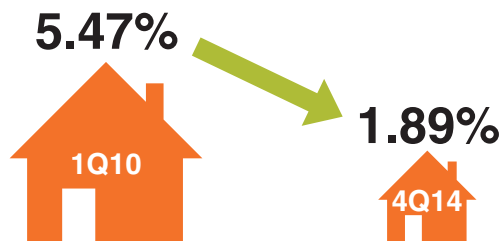
LIQUIDITY AND SUPPORT TO THE MARKET

- We funded the mortgage market with approximately \$434 billion in liquidity in 2014, including approximately \$128 billion in liquidity in the fourth quarter of 2014.



DRIVING DOWN THE SERIOUS DELINQUENCY (SDQ) RATE

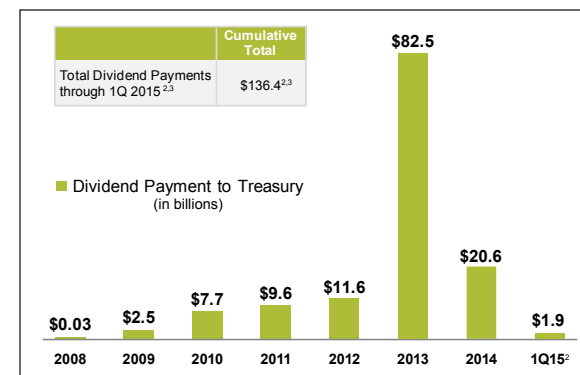
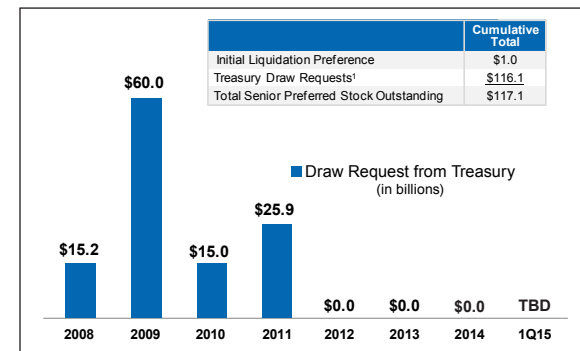
- Our single-family SDQ rate has declined 19 consecutive quarters.



- Fannie Mae's single-family SDQ rate was 1.89 percent.
- Our single-family SDQ rate is substantially lower than private market levels.
- Approximately 96 percent of Fannie Mae's 17.4 million single-family conventional loans are current.

TREASURY DRAWS AND DIVIDEND PAYMENTS

- Fannie Mae expects to have paid Treasury approximately \$136.4 billion in dividends as of March 31, 2015.



(1) Treasury draw requests are shown in the period for which requested and do not include the initial \$1.0 billion liquidation preference of Fannie Mae's senior preferred stock, for which Fannie Mae did not receive any cash proceeds. The payment of dividends does not offset prior Treasury draws.

(2) Fannie Mae expects to pay a dividend for the first quarter of 2015 calculated based on our net worth of \$3.7 billion as of Dec. 31, 2014 less the applicable capital reserve amount of \$1.8 billion.

(3) Amounts may not sum due to rounding.

This report includes our expectations regarding our future dividend payments to Treasury. These expectations are forward-looking statements based on our current assumptions regarding numerous factors. Our actual results and future expectations may differ materially from our current expectations as a result of many factors, including those discussed in the "Risk Factors" section of and elsewhere in our Annual Report on Form 10-K for the year ended December 31, 2014. 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.

Data as of December 31, 2014