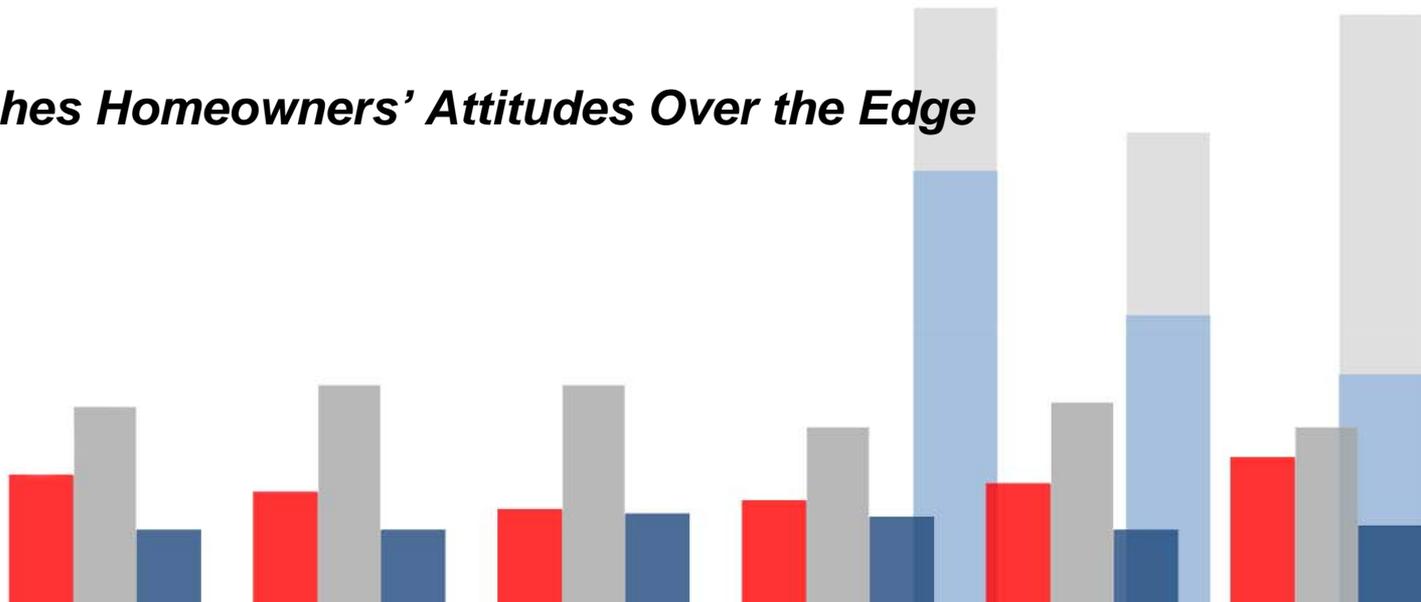


Fannie Mae National Housing Survey First-Quarter 2012

***Quarterly Focus:
Delinquency Pushes Homeowners' Attitudes Over the Edge***



Despite Growing Optimism Overall, Delinquent Borrowers Are More Likely To Have Negative Views of Homeownership Than the General Population, Those Who Are Underwater, or Those Whose Home Value Has Decreased

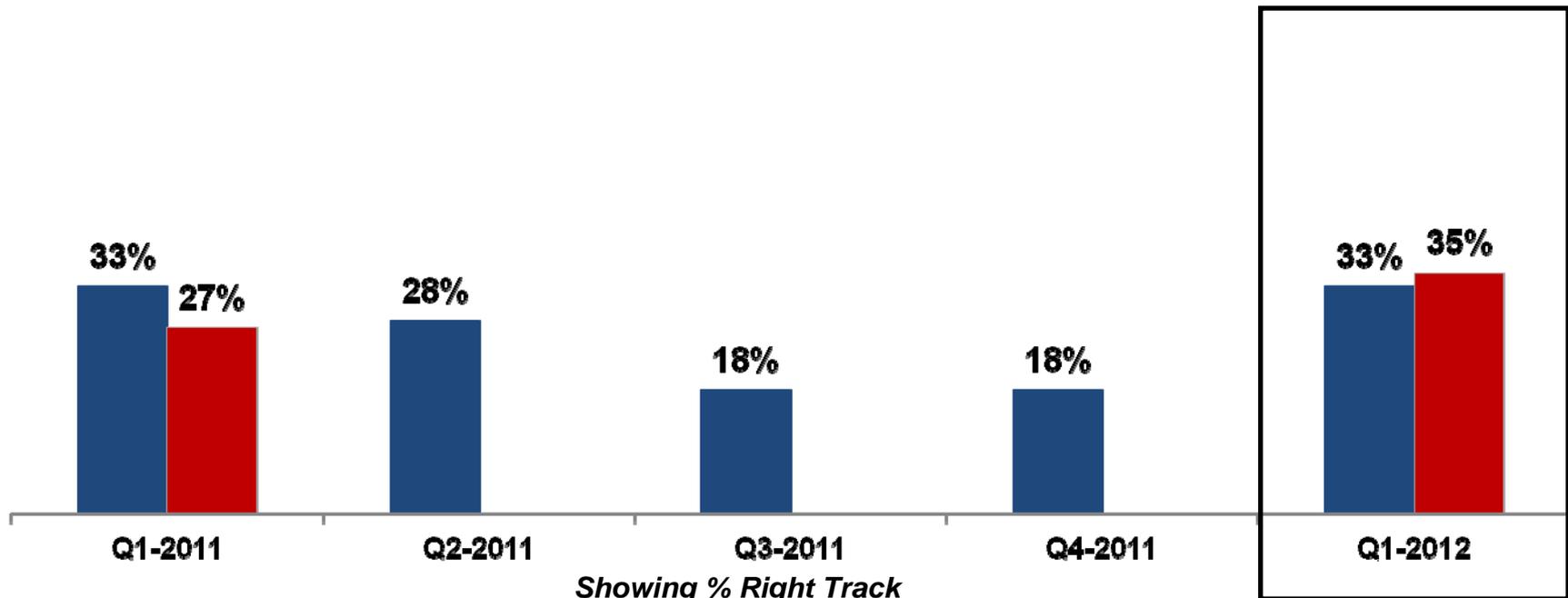
- In the first quarter of 2012, Americans grew more confident that the economy is headed in the right direction and that home prices will go up.
- While Delinquent Borrowers align with other Americans regarding general economic optimism, they demonstrate distinctive attitudes compared to the General Population in many of their homeownership, household finance, and default attitudes.
- In particular, Delinquent Borrowers:
 - Continue to be highly stressed about their financial situation
 - Are less positive about their financial situation over the past year
 - Remain more concerned about losing their job
 - Score the financial benefits of owning lower than those who are Underwater or whose home value has decreased
 - Intend to rent rather than buy their next house
 - 2 in 5 have considered stopping their mortgage payments, significantly higher than those Underwater or those whose home value has decreased
 - Are more likely to be accepting of defaulters

This quarter, the General Population and Delinquent Borrowers alike are becoming more confident that the economy is headed in the right direction

- The degree of optimism returned to the level of Q1 2011

In general, do you think our economy is on the right track or is it off on the wrong track?

■ **General Population** ■ **Delinquent**

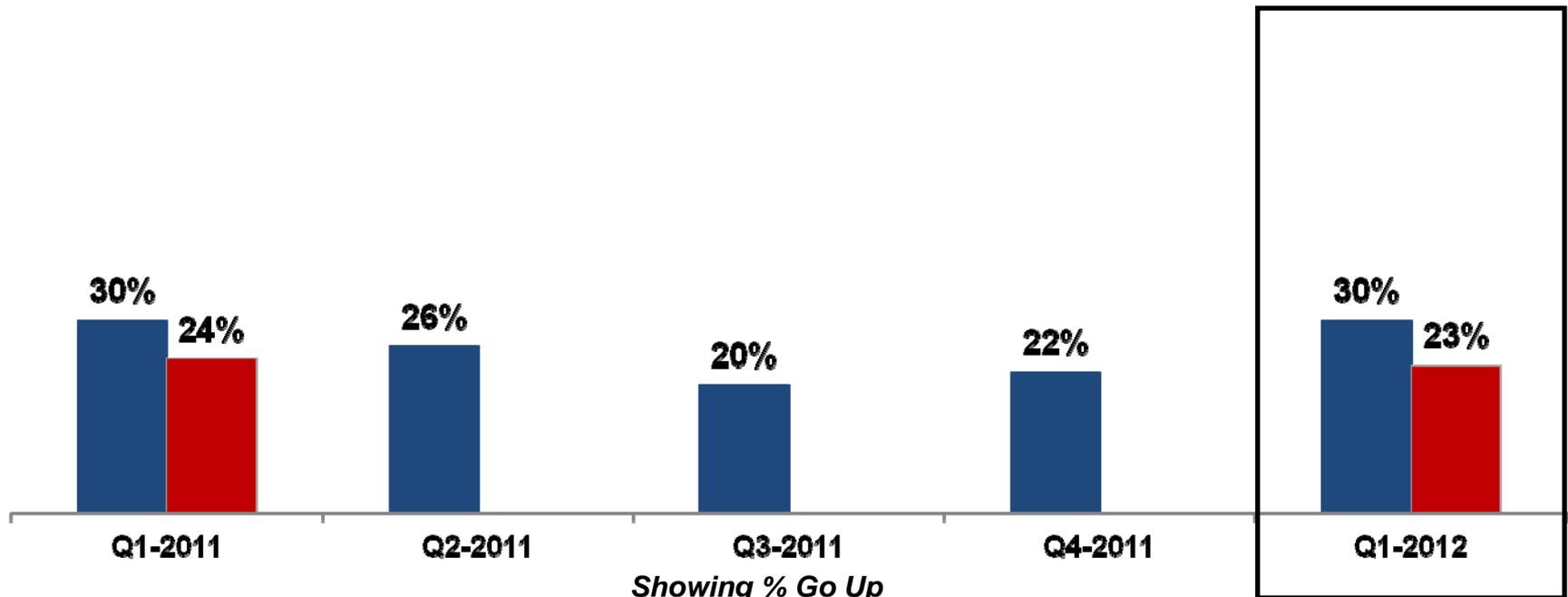


However, while more of the General Population anticipate the upward direction of home prices, Delinquent Borrowers are more pessimistic

- The outlook for home prices returned to the level of Q1 2011

During the next 12 months, do you think home prices in general will go up, go down, or stay the same as where they are now?

■ General Population ■ Delinquent



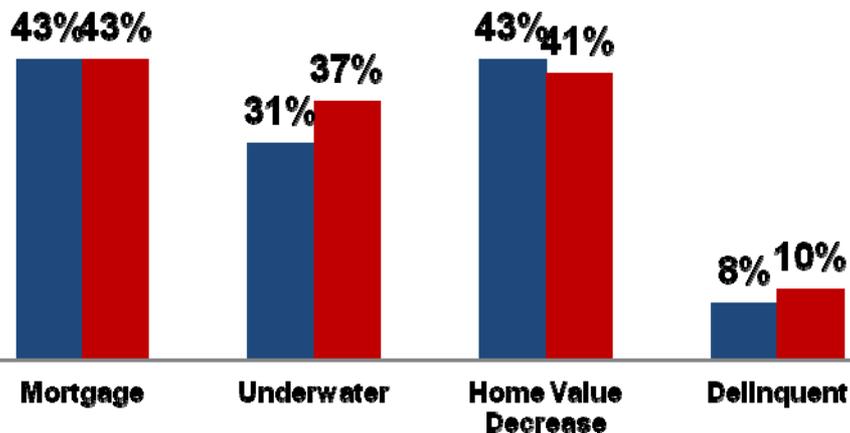
Delinquent Borrowers were last sampled during a study conducted in January-March 2011. This study is used as a baseline periodically throughout this report.

Delinquent Borrowers continue to be highly stressed about their financial situation

- They are more stressed than those Underwater or those who have experienced home value decreases about their insufficient savings and inability to make payments on their debts

Do you feel you have sufficient savings?

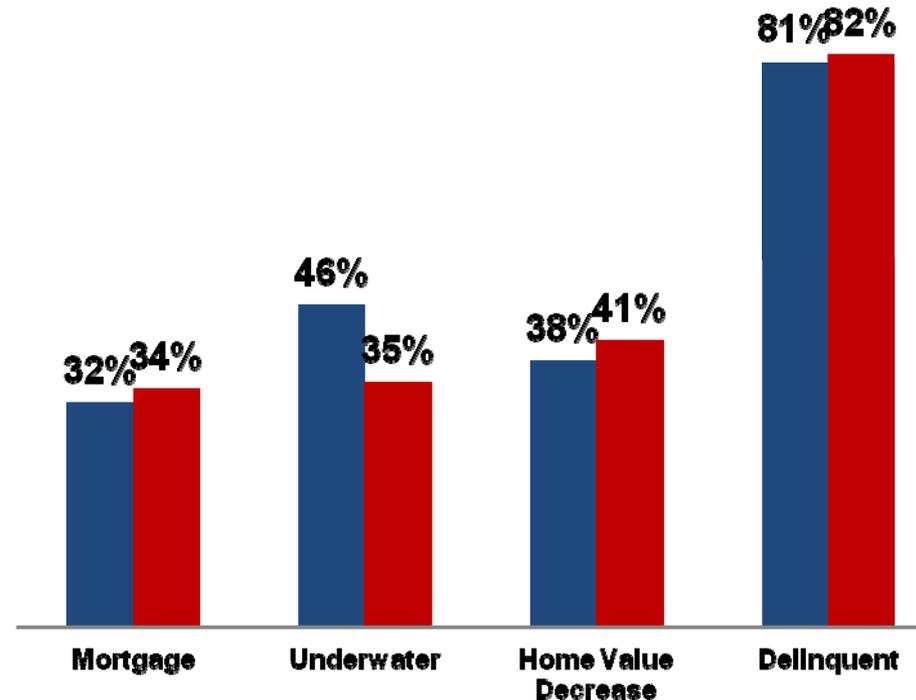
■ Q1-2011 ■ Q1-2012



Showing % Yes

Are you very stressed, somewhat stressed, not very stressed or not at all stressed about your ability to make payments on your debts?

■ Q1-2011 ■ Q1-2012



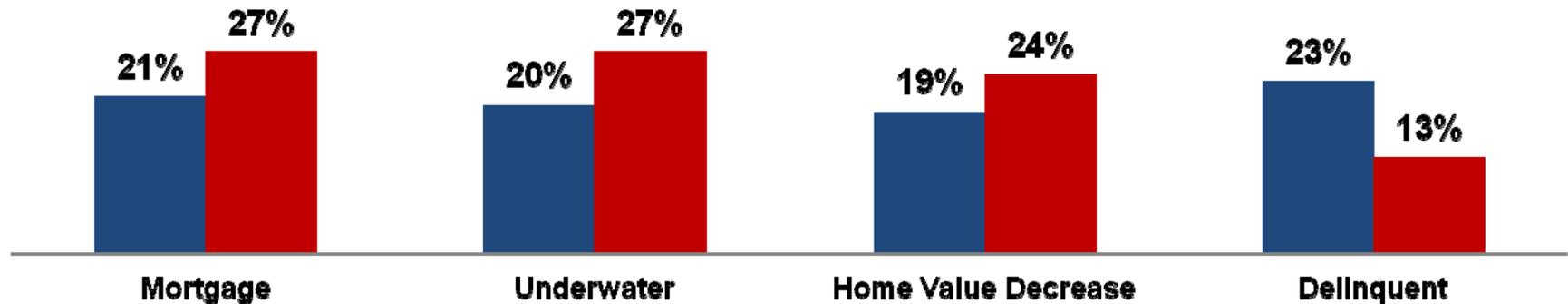
Showing % Stressed (Total)

Delinquent Borrowers are less positive about their financial situation over the past year

- Only 13% of Delinquent Borrowers said their financial situation improved over the past year, a decrease of 10 percentage points year over year. All other categories showed an improvement.

Now looking back over the past year, has your personal financial situation gotten better, stayed about the same, or gotten worse?

■ Q1-2011 ■ Q1-2012

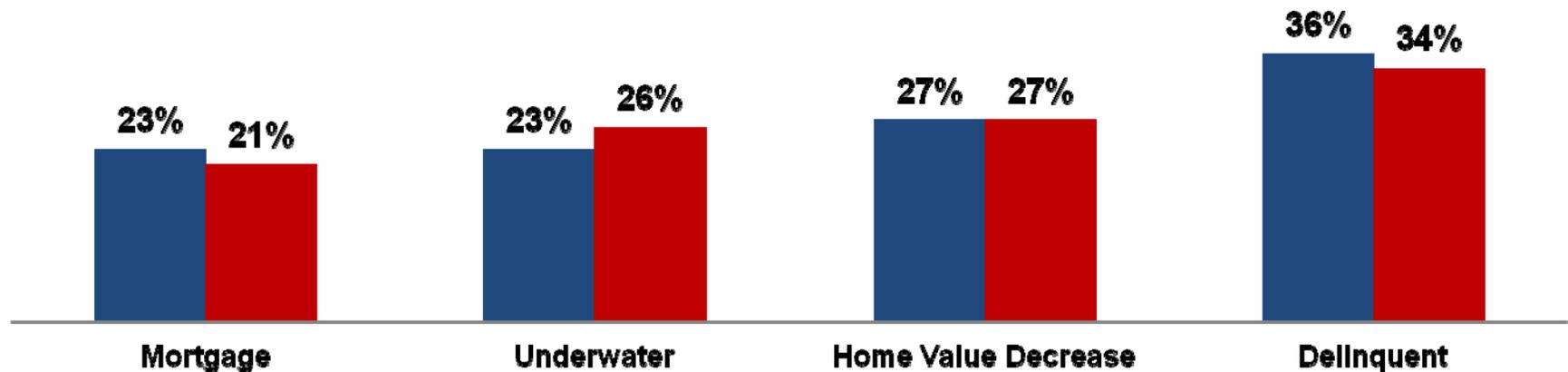


Showing % Better (Total)

Delinquent Borrowers remain more concerned about losing their job

How concerned are you that you will lose your job in the next twelve months? Are you concerned or not concerned that you will lose your job in the next twelve months?

■ **Q1-2011** ■ **Q1-2012**

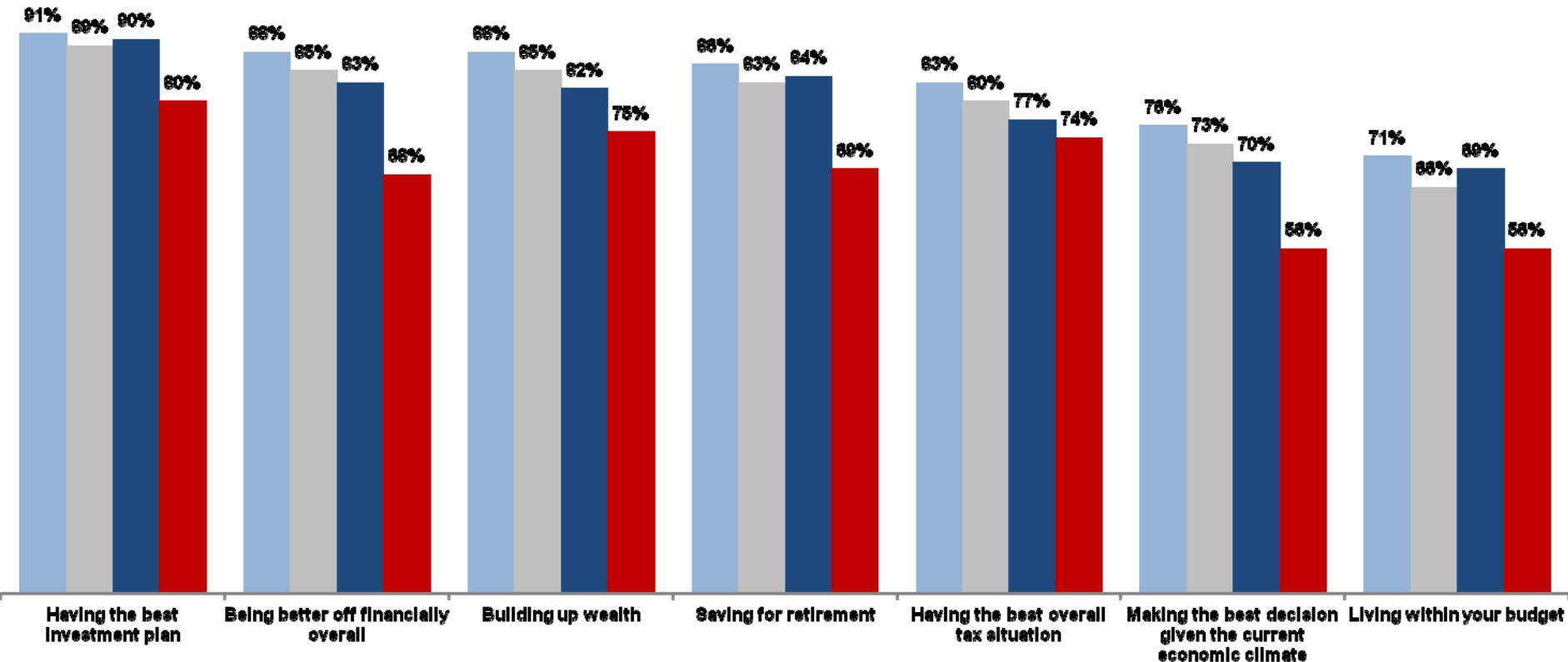


Showing % Concerned (Employed Full-Time or Part-Time)

Delinquent Borrowers score the financial benefits of owning lower than those who are Underwater or those whose home value has decreased

To achieve this are you better off owning or renting?

■ Mortgage ■ Underwater ■ Home Value Decrease ■ Delinquent

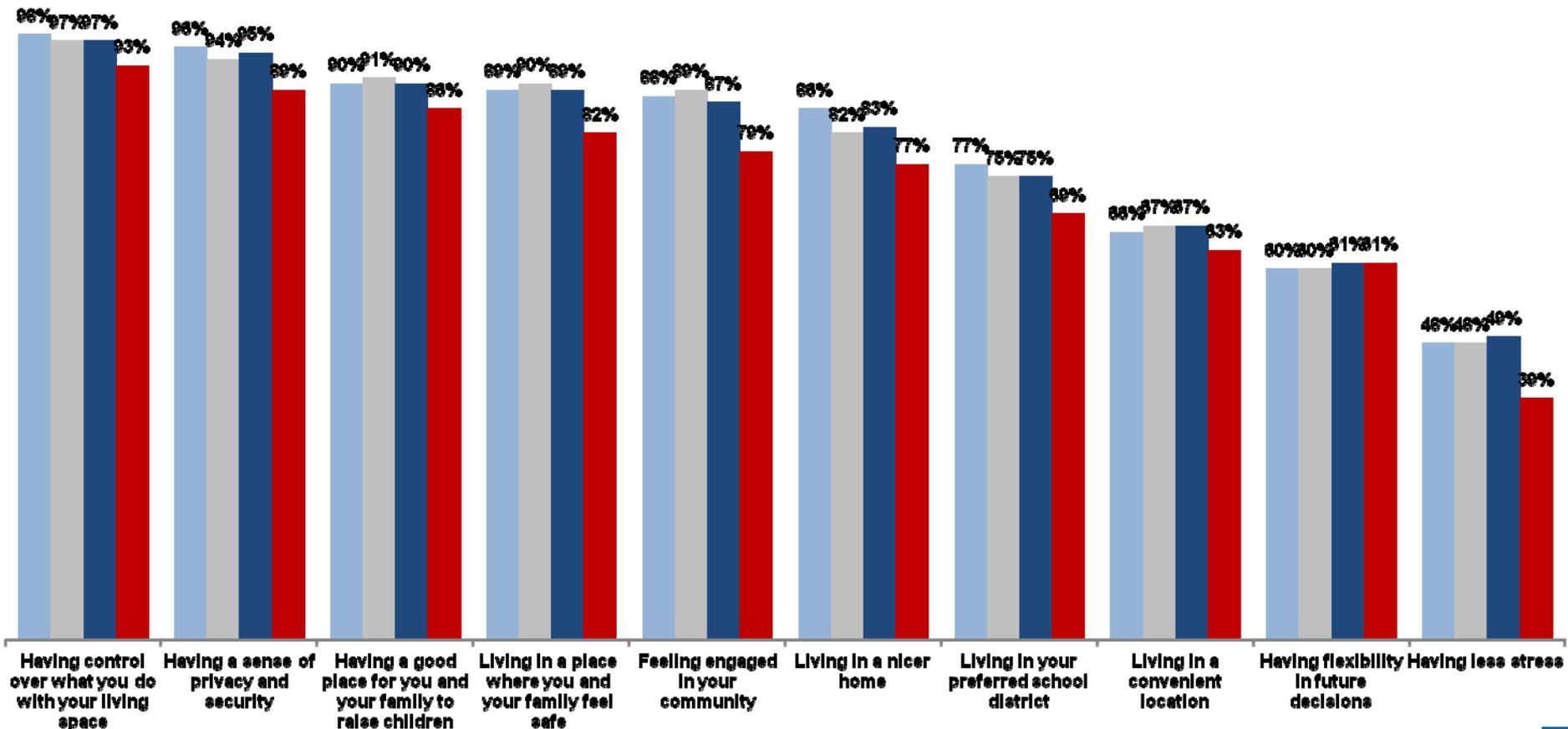


Showing Financial Reasons % Owning Q1-2012

However, Delinquent Borrowers are more comparable to other groups in their beliefs regarding the non-financial benefits of owning

To achieve this are you better off owning or renting?

■ Mortgage ■ Underwater ■ Home Value Decrease ■ Delinquent

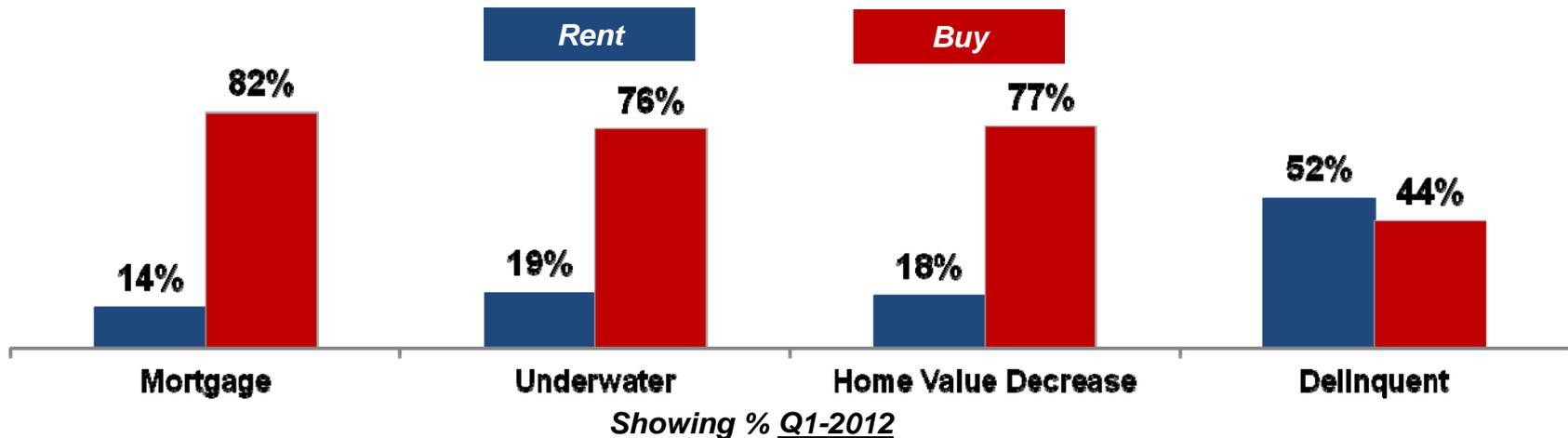


Showing Non-Financial Reasons % Owning Q1-2012

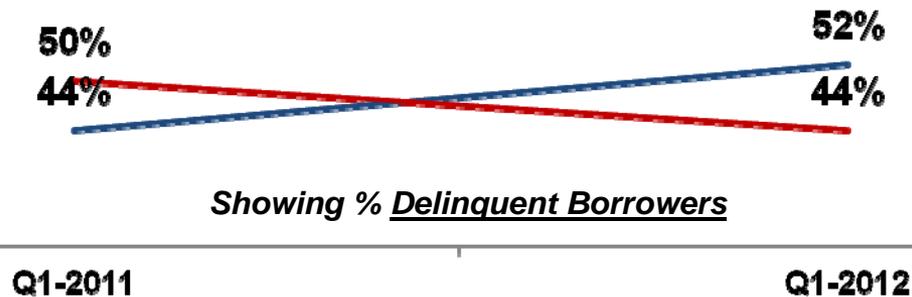
Delinquent Borrowers intend to rent rather than buy their next house

- While 52% of Delinquent Borrowers are likely to rent for their next move, only 19% of Underwater and 18% of Home Value Decrease respondents would rent
 - We have found that Underwater borrowers express housing-related sentiments similar to all Mortgage Borrowers

If you were going to move, would you be more likely to:



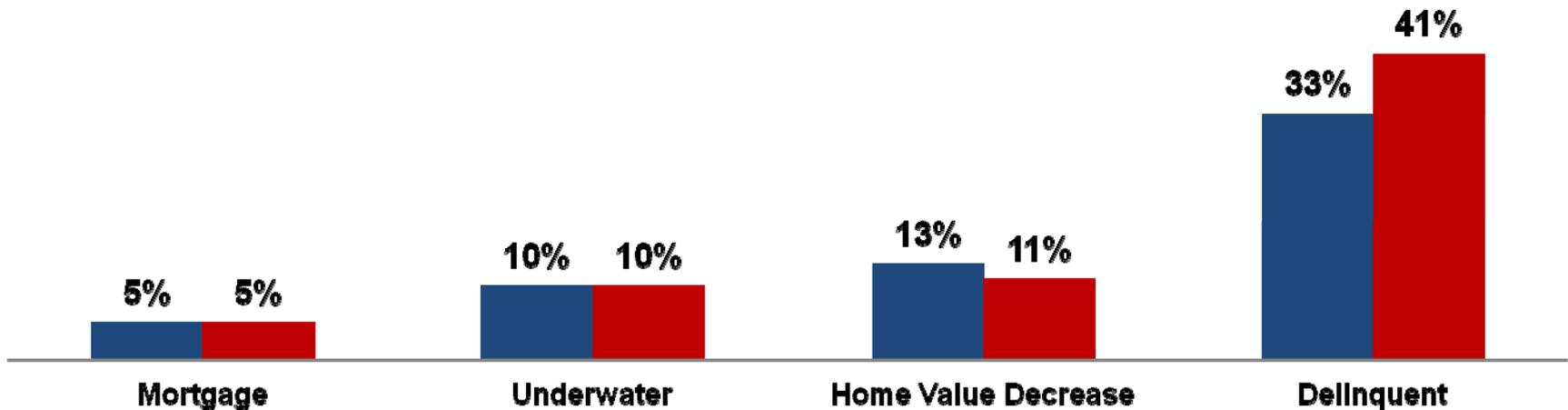
- Delinquent Borrowers became increasingly likely to say they would rent in Q1 2012 versus Q1 2011



2 in 5 Delinquent Borrowers have considered stopping their mortgage payments, significantly higher than those Underwater or those whose home value has decreased

Have you seriously considered, somewhat considered, not seriously considered, or not considered at all stopping or incompletely paying your mortgage?

■ Q1-2011 ■ Q1-2012



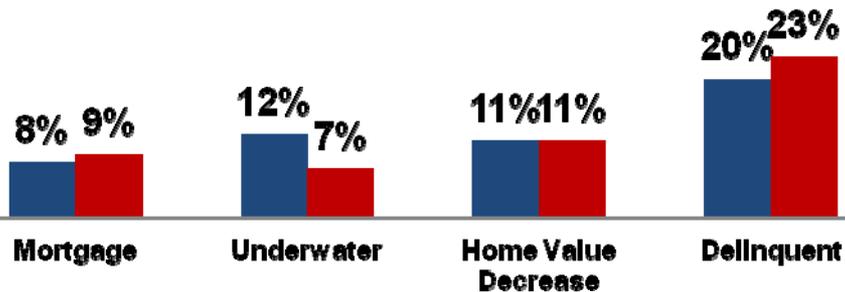
Showing % Seriously + Somewhat Considered

Delinquent Borrowers are more likely to be accepting of defaulters

- 2 in 5 Delinquent Borrowers are more likely to be accepting of someone in financial distress, 23 percentage points more than the general population of Mortgage Borrowers

If a person's house is now worth less than what they owe on it, do you think it's okay for them to stop paying their mortgage?

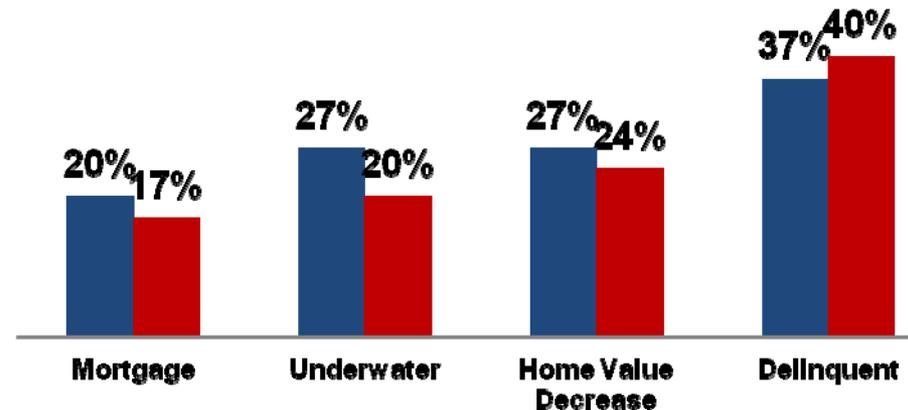
■ Q1-2011 ■ Q1-2012



Showing % Yes

If a person is facing financial distress, do you think it's okay for them to stop paying their mortgage?

■ Q1-2011 ■ Q1-2012



Showing % Yes

National Housing Survey

Background

- The Fannie Mae National Housing Survey is a monthly attitudinal survey, which polls the adult general population of the United States to assess their attitudes toward owning and renting a home, home purchase and rental prices, homeownership distress, household finances, and overall confidence in the economy.
- Each respondent is asked more than 100 questions, making the Fannie Mae National Housing Survey the most detailed attitudinal survey of its kind. The survey is conducted on a monthly basis to track attitudinal shifts that occur among homeowners and renters in the United States. We occasionally include oversamples of delinquent borrowers to have a sample size to enable in-depth assessments of their attitudes.

Survey Methodology

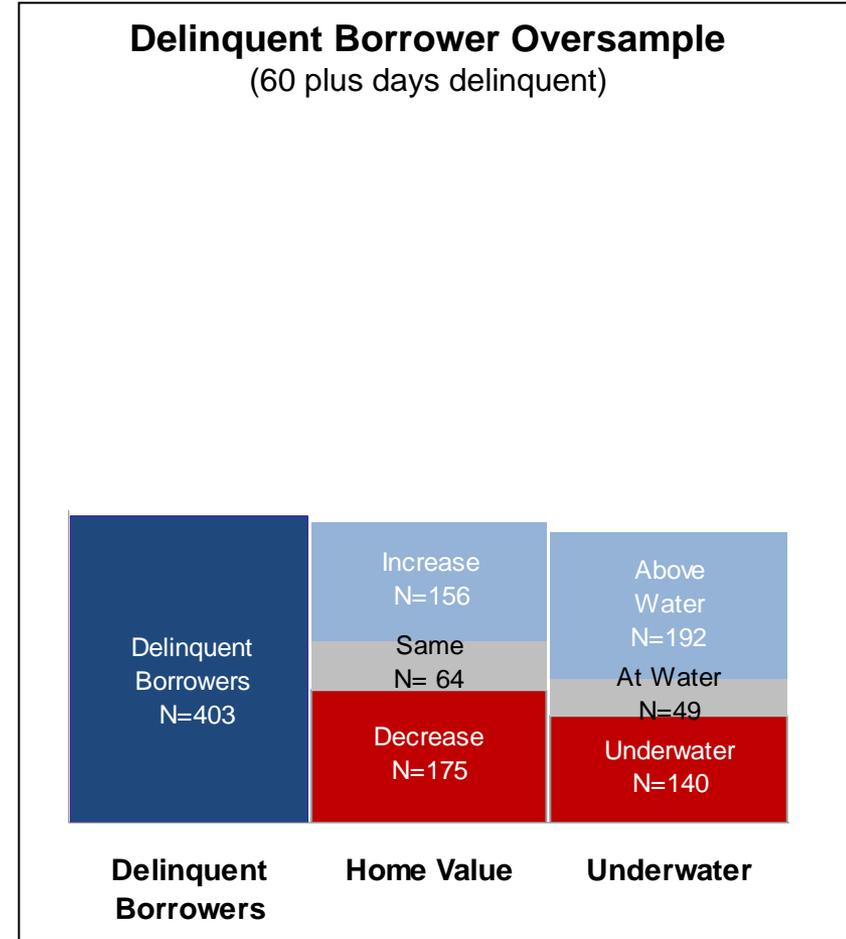
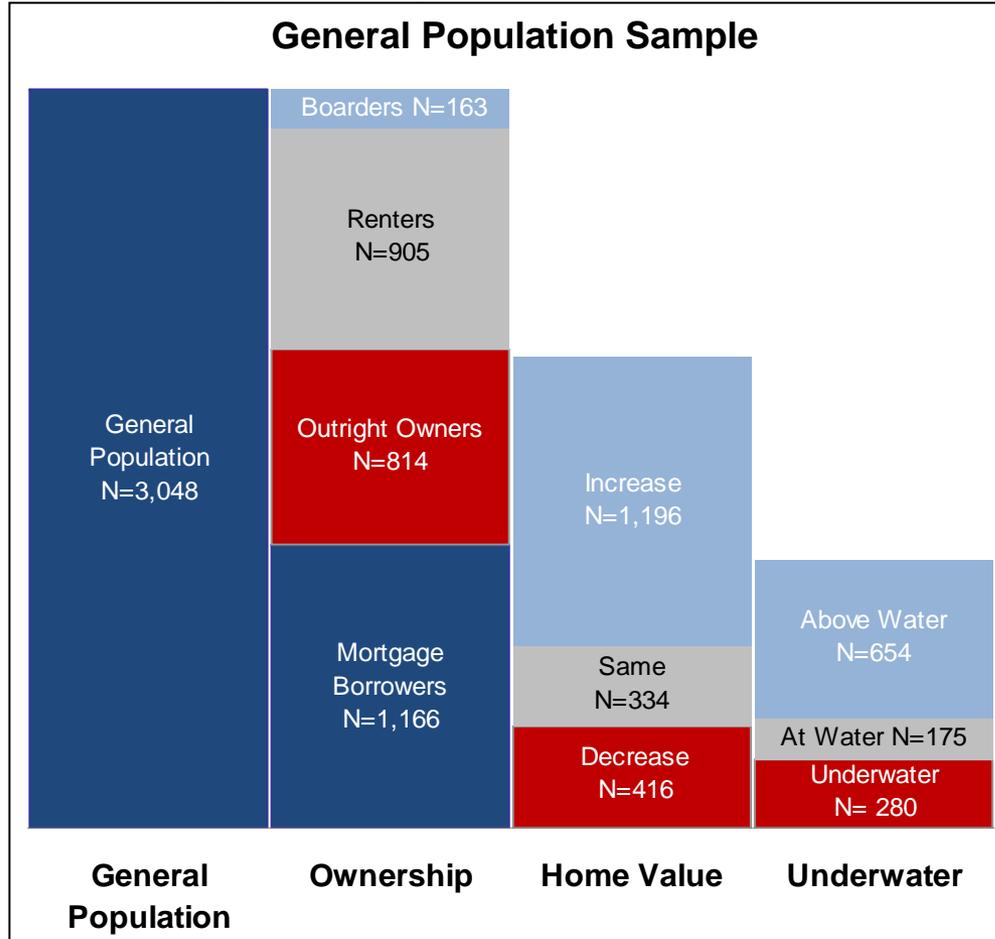
- Each month, beginning in June 2010, approximately 1,000 live (not automated) telephone interviews with Americans age 18 and older are conducted by Penn Schoen Berland (PSB), in coordination with Fannie Mae. The margin of error for the total monthly sample is ± 3.1 percent at the 95 percent confidence level and larger for sub-groups. Data collection occurs over the course of the first three weeks of each month.

Fannie Mae National Housing Survey – Monthly and Quarterly Reports

- On a monthly basis, 11 indicators of Americans' attitudes from the monthly survey are released publicly. A full report, encompassing all of the questions and/or a comprehensive sub-group analysis, is released on a quarterly basis.
- The quarterly reports combine three monthly studies into one dataset. The three monthly studies that make up any given quarterly report are identical in wording and placement of questions.
- Our most current and previous National Housing Survey quarterly reports can be found at: <http://www.fanniemae.com/portal/research-and-analysis/housing-quarterly.html>

Appendix: Q1 2012 Research Methodology

- From January 9, 2012 to March 28, 2012*, Penn Schoen Berland conducted 3,451 telephone interviews among the following audiences (additional details can be found in the appendix):



- Delinquent Borrowers were last sampled during a study conducted in January-March 2011. This study is used as a baseline periodically throughout this report.
- Note that on each question, respondents had the option to answer "don't know" (volunteered), which is why, in some cases, the total % may not equal 100.
- General population interviews were conducted by dialing both landline (75%) and cell-phone only households (25%) to ensure proper representation of cell-phone only households.
- The data presented in this study has been weighted to make it reflective of the U.S. Census demographic statistics in terms of gender, age, ethnicity, income, education, housing situation, and urbanicity.

Appendix: Q1 2012 Research Methodology

- From January 9, 2012 to March 28, 2012*, Penn Schoen Berland conducted 3,451 telephone interviews among the following audiences:

| Sample 1 (General Population) | Sample Size | Margin of Error |
|---|-------------|-----------------|
| General Population (GP), including: | 3,048 | ±1.78% |
| Owner (own home outright) | 814 | ±3.43% |
| Mortgage Borrowers (have a home mortgage), including: | 1,166 | ±2.87% |
| • Underwater Borrowers (report owing at least 5% more on their mortgage than their home is worth) | 280 | ±5.86% |
| • Above Water Borrowers (report owing at least 5% less on their mortgage than their home is worth) | 654 | ±3.83% |
| Home Value Increase (value today compared to purchase price) | 1,196 | ±2.83% |
| Home Value Decrease (value today compared to purchase price) | 416 | ±4.8% |
| Home Value Stayed the Same (value today compared to purchase price) | 334 | ±5.36% |
| Renter (rent home) | 905 | ±3.26% |
| Boarders (do not pay for housing) | 163 | ±7.68% |
| Sample 2 (Oversample) | | |
| Delinquent Borrowers (Mortgage borrowers who have not made a full mortgage payment for at least 61 days) | 403 | ±4.88% |
| Underwater Borrowers (report owing at least 5% more on their mortgage than their home is worth) | 192 | ±7.07% |
| Home Value Decrease (value today compared to purchase price) | 175 | ±7.41% |

* Three monthly studies were completed during that time and later the interviews were combined into one dataset. All three studies were identical in wording and placement of questions.

• Delinquent Borrowers were last sampled during a study conducted in January-March 2011. This study is used as a baseline periodically throughout this report.

• Note that on each question, respondents had the option to answer "don't know" (volunteered), which is why, in some cases, the total % may not equal 100.

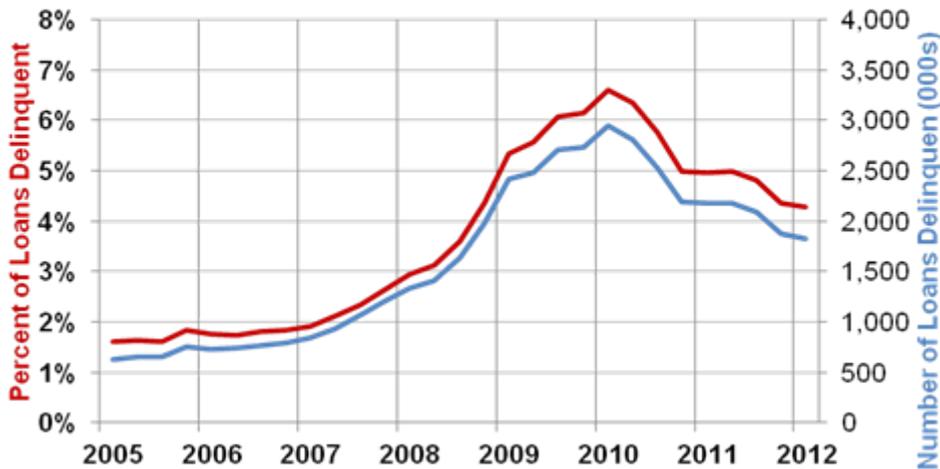
• General population interviews were conducted by dialing both landline (75%) and cell-phone only households (25%) to ensure proper representation of cell-phone only households.

• The data presented in this study has been weighted to make it reflective of the U.S. Census demographic statistics in terms of gender, age, ethnicity, income, education, housing situation, and urbanicity.

Appendix: Delinquent Mortgage Borrower Profile

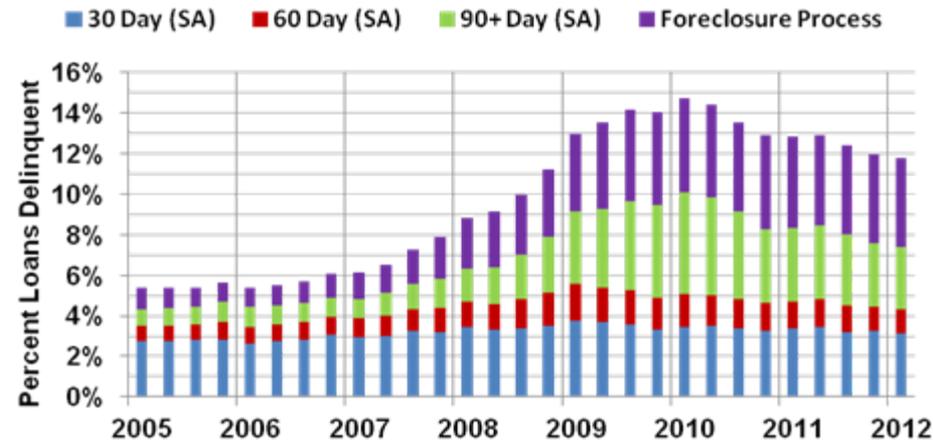
- The composition of mortgage delinquency has not changed significantly over the past year
 - 60+ Day Mortgage Delinquency has dropped to the lowest level since 2008
- To focus on their housing attitudes, our survey includes an oversample of respondents who have a 60+ Day Mortgage Delinquency

**60+ Day Mortgage Delinquency
All Loans (SA)**



Source: MBA National Delinquency Survey

**Mortgage Delinquencies and Foreclosures by
Period Past Due,
All Loans**



Source: MBA National Delinquency Survey