

Multifamily Business Information Presentation

Updated March 2024



Fannie Mae®

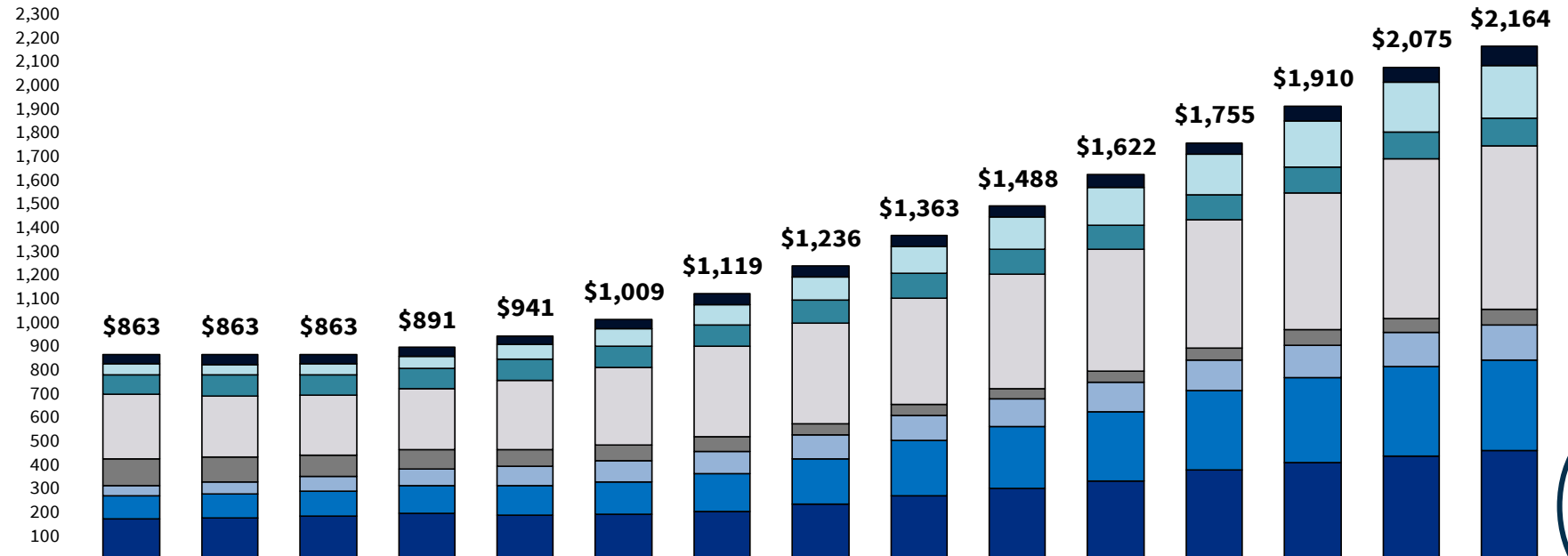
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Multifamily Mortgage Debt Outstanding (MDO) by Holders of Credit Risk



Fannie Mae has guaranteed approximately 21% of Multifamily MDO on average over the last 3 years

Total \$ in Billions



	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	YTD Q3 2023
Other	41	43	39	36	36	37	45	46	45	48	54	49	63	63	83
Life Insurance Companies	47	46	48	51	62	75	86	99	115	137	162	171	196	211	223
State & Local Credit Agencies	82	89	88	86	91	89	93	97	103	103	103	105	109	112	115
Banks & Thrifts	271	258	251	259	290	327	379	425	451	482	513	541	577	676	689
CMBS	111	103	91	80	71	68	62	48	43	44	46	52	64	59	67
Ginnie Mae	44	52	60	71	82	90	94	99	109	118	125	128	136	144	148
Freddie Mac	98	100	107	119	124	135	160	191	231	262	291	335	360	377	382
Fannie Mae	168	172	179	190	185	189	200	231	266	295	329	375	404	432	456
Total	863	863	863	891	941	1,009	1,119	1,236	1,363	1,488	1,622	1,755	1,910	2,075	2,164

Fannie Mae's Share of MF MDO 19% 20% 21% 21% 20% 19% 18% 19% 20% 20% 20% 20% 21% 21% 21% 21%

GSEs
Guarantee 40%
of MF MDO
FNM: 21%
FRE: 18%

Source: Federal Reserve

Notes:

- Numbers may not sum due to rounding
- Data based on information available at time of publication
- Historical numbers are subject to change

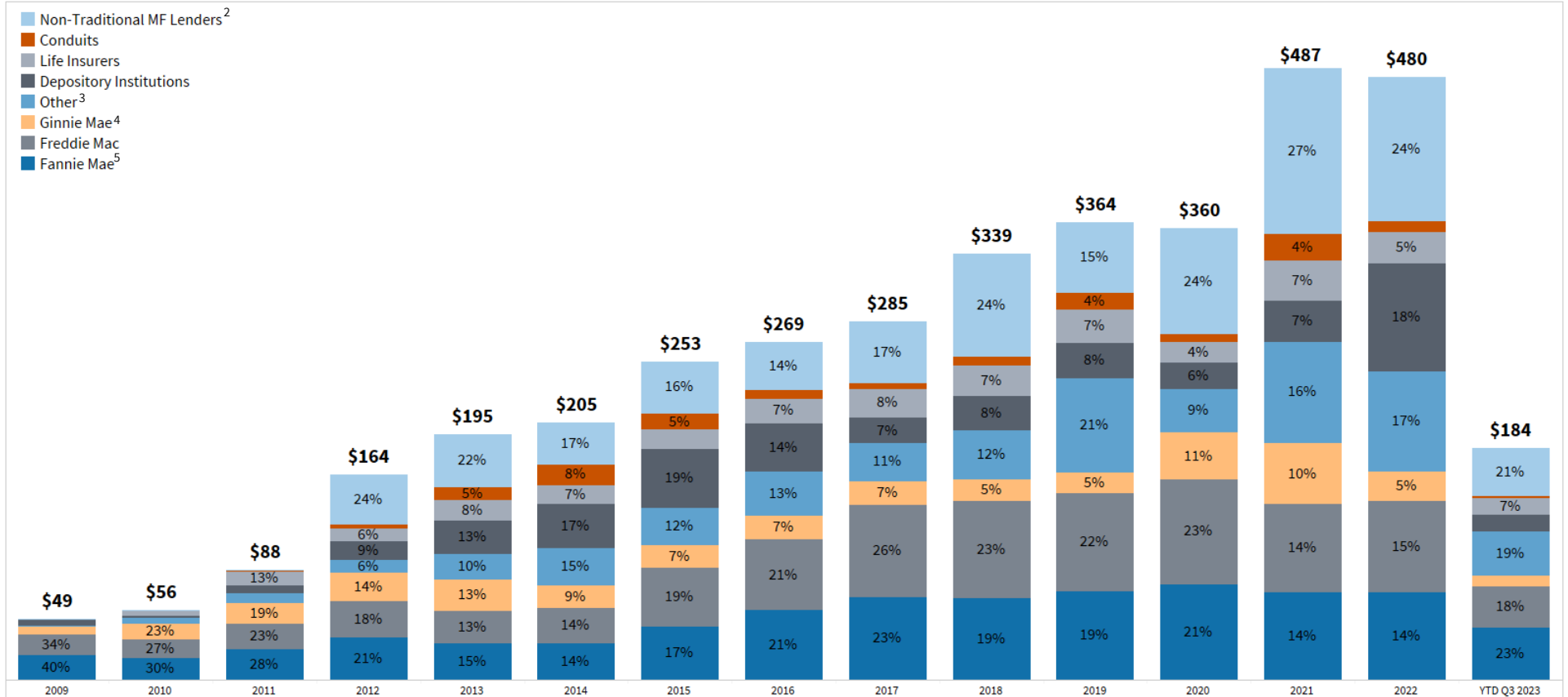


Estimated Competitive Multifamily Market Acquisitions by Participant¹



Diversified participation exists in the multifamily market today

Total \$ in Billions



Fannie Mae Volume (\$B) 2009 - 2023

2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	YTD Q3 2023
\$20	\$17	\$24	\$34	\$29	\$29	\$42	\$55	\$66	\$65	\$70	\$76	\$69	\$69	\$42

Source: American Council of Life Insurers (ACLI), FDIC, Trepp, Mortgage Bankers Association & Fannie Mae Multifamily Economic Research Group

Notes:

¹ Estimated competitive market size is Fannie Mae's internal estimate of multifamily originations activity and may be updated as additional data becomes available.

² Non-Traditional MF Lenders are non-institutional lenders that generate 1-2 multifamily loans a year with a typical size of less than \$1M.

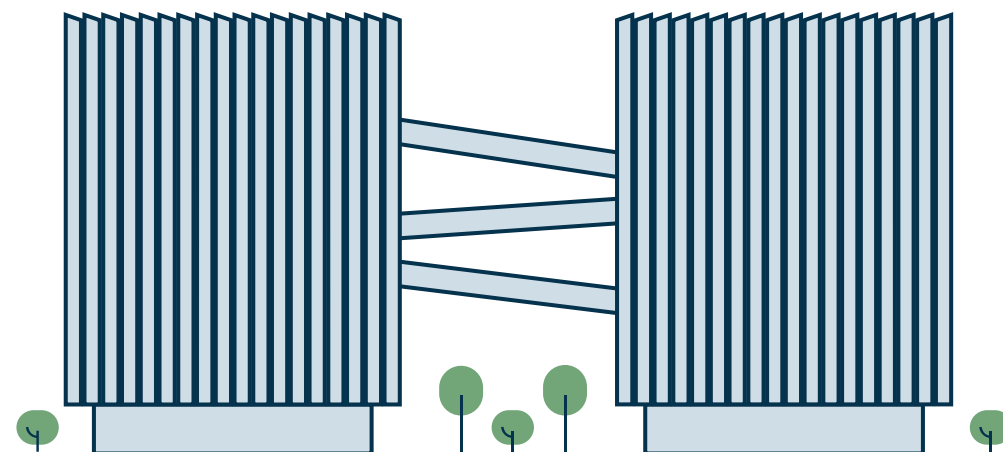
³ Other includes state and local credit agencies, FHLBs and other financial institutions.

⁴ Loans securitized by Ginnie Mae include non-dedicated multifamily housing (e.g. healthcare and new construction).

⁵ Excludes purchases of loans from others' portfolios and Treasury HFA New Issue Bond program volume in 2009 and 2010, therefore amounts may not tie to Fannie Mae 10-Qs or 10-Ks.



Fannie Mae Acquisitions – Consistent Provider of Liquidity and Affordability to the Multifamily Mortgage Market



Fannie Mae Multifamily Acquisitions by Asset Class



Fannie Mae serves many sectors of the multifamily housing market

Total \$ in Billions	Acquisition Year											
	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023 ⁶
Manufactured Housing	\$0.9	\$1.0	\$0.5	\$0.8	\$3.0	\$1.9	\$2.9	\$2.5	\$5.5	\$3.3	\$2.7	\$3.5
Seniors Housing	1.2	1.6	1.5	2.7	1.5	5.5	2.3	3.1	0.9	0.8	1.0	0.5
Student Housing	0.7	0.5	0.8	1.5	2.5	3.8	2.7	2.7	1.6	0.9	1.2	0.4
Conventional & Coop	30.9	25.7	26.1	37.3	48.2	54.8	57.4	61.9	67.9	64.5	64.4	48.5
Total Multifamily Acquisitions¹	\$34	\$29	\$29	\$42	\$55	\$66	\$65	\$70	\$76	\$69	\$69	\$53
Additional Loan Sectors Included in Total Acquisitions⁵												
Multifamily Affordable Housing ²	\$3.8	\$2.3	\$2.6	\$3.0	\$4.3	\$5.4	\$6.0	\$8.2	\$7.9	\$9.6	\$10.3	\$6.6
Small Balance Loans ³	8.7	7.1	4.9	5.4	6.0	6.2	6.0	7.3	11.4	8.6	6.0	4.9
5-50 Units ³	1.9	1.5	0.8	1.0	1.3	1.7	1.7	2.6	4.8	3.6	1.7	1.6
Supplemental ⁴	0.6	0.7	0.9	1.4	1.5	1.8	1.3	1.2	0.9	1.8	1.7	1.1
Green	0.06	0.06	0.02	0.2	3.6	27.8	20.1	22.8	13.0	13.5	9.1	7.5
Structured	1.8	1.9	1.5	3.5	4.5	10.3	9.5	8.6	11.6	5.7	10.3	8.5

¹ Excludes a transaction backed by a pool of single-family rental properties in 2017 totaling \$945 million. Totals are approximate.

² Financing for rent-restricted properties and properties receiving other federal and state subsidies. Affordable housing acquisitions since 2019 includes 20% at 80% AMI, SPP MAH, and SIA MAH.

³ Small balance loans refers to multifamily loans with an original unpaid principal balance of up to \$9 million nationwide. Fannie Mae changed its definition of small multifamily loans in Q3 2023 to increase the loan amounts from up to \$6 million nationwide to up to \$9 million nationwide. The updated definition has been applied to all prior periods shown. Combined population of Small balance and 5-50 units was \$5.1B in 2023, \$6.3B in 2022, \$9.5B in 2021, \$12.4B in 2020, \$7.7B in 2019, and \$6.4B in 2018.

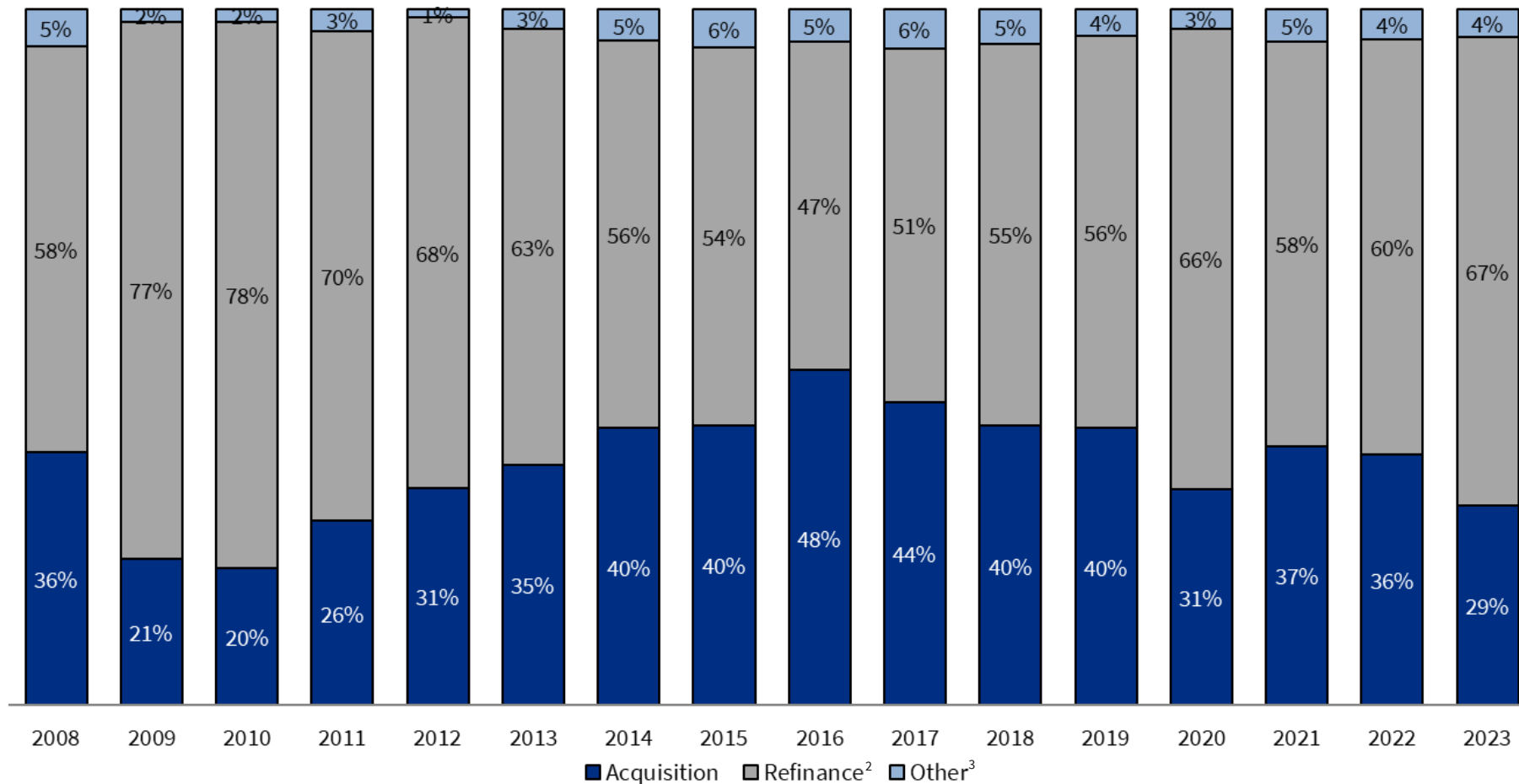
⁴ Loans that are second, third, or fourth liens on a property.

⁵ Additional loan sectors are not mutually exclusive. A portion of each asset class may be categorized into one or more loan attributes.

⁶ 2023 asset class volumes are based on the allocated property-level unpaid principal balance of the mortgage loan related to the collateral property type. Prior year asset class volumes are based on loan-level unpaid principal balance.



Fannie Mae Multifamily Acquisitions by Financing Type¹



The majority of Fannie Mae Multifamily business volume continued to be refinances in 2023

Note:

¹ Amounts may not total to 100% due to rounding. Percentages are based on unpaid principal balance of the loans at acquisition.

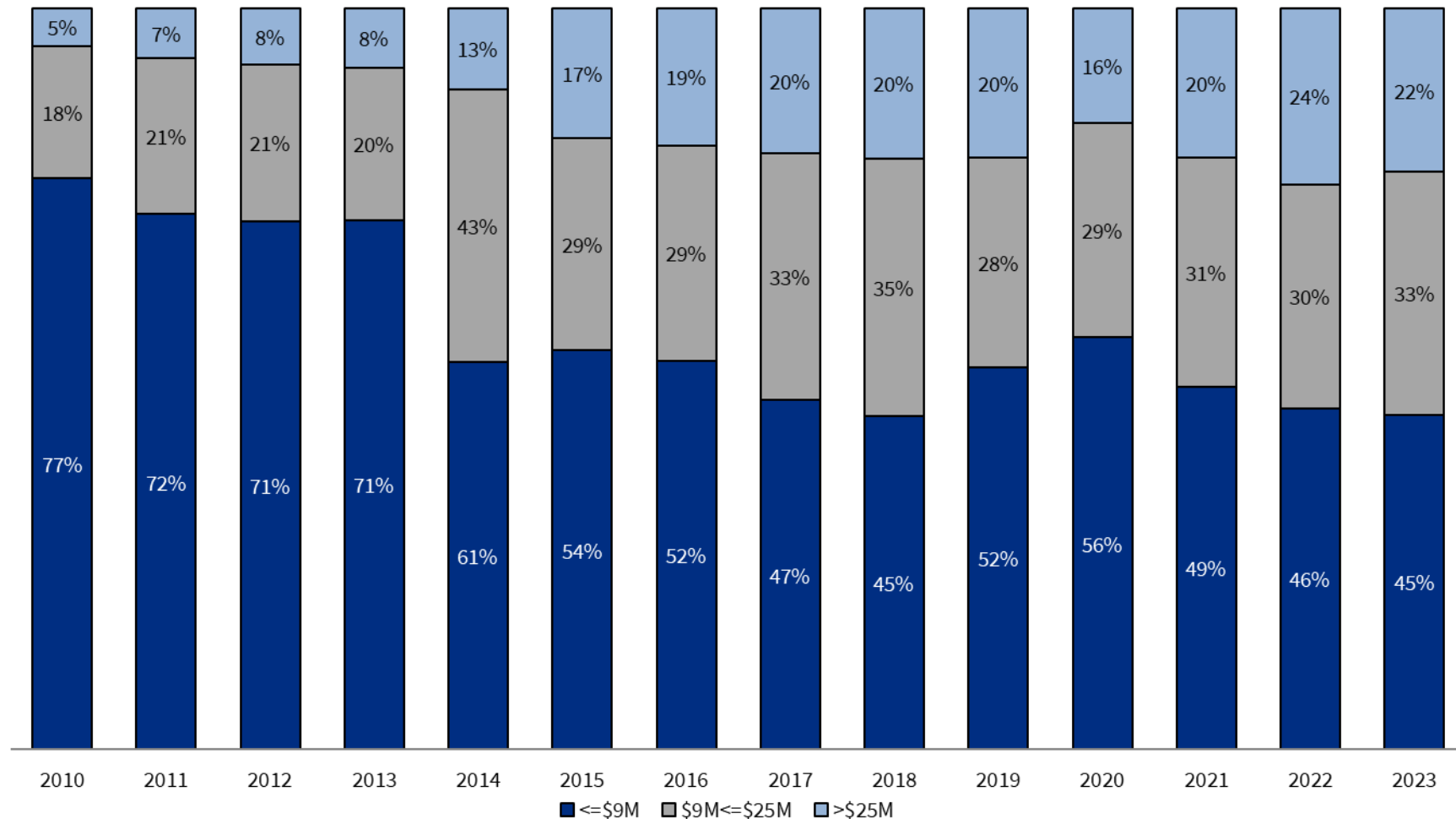
² Refinance includes loans that are categorized as both refinance and forward conversions/rehabilitations.

³ Other financing types includes loans that are only supplemental financing on existing properties, construction take-outs, forward conversions, and property rehabilitations. Construction take-out refers to the permanent debt on a newly constructed property where Fannie Mae did not provide construction financing.

Source: Fannie Mae



Fannie Mae Multifamily Acquisitions by Loan Size¹



Fannie Mae provides financing to diverse multifamily market segments with varying loan sizes

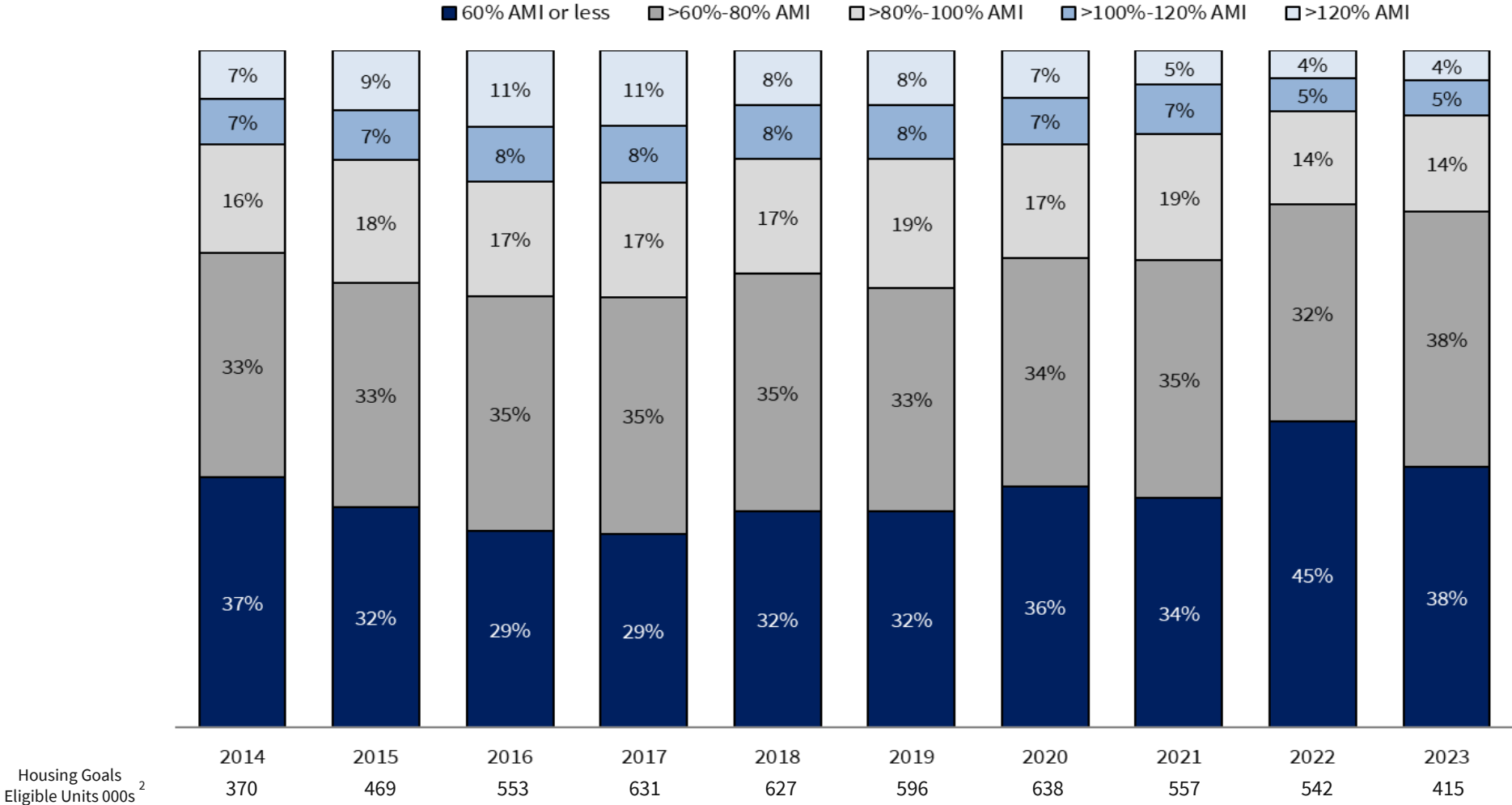
Note:

¹ Amounts may not total to 100% due to rounding. Percentages are based on loan count.



Fannie Mae Multifamily Acquisitions by Area Median Income (AMI)¹

Fannie Mae’s ability to serve a variety of income segments is a key component of serving the entire multifamily market



Fannie Mae continues to primarily finance multifamily units that, at the time of acquisition, are affordable to households at or below 120% of the area median income

Source: Fannie Mae, based on Housing Goals methodology

Note:

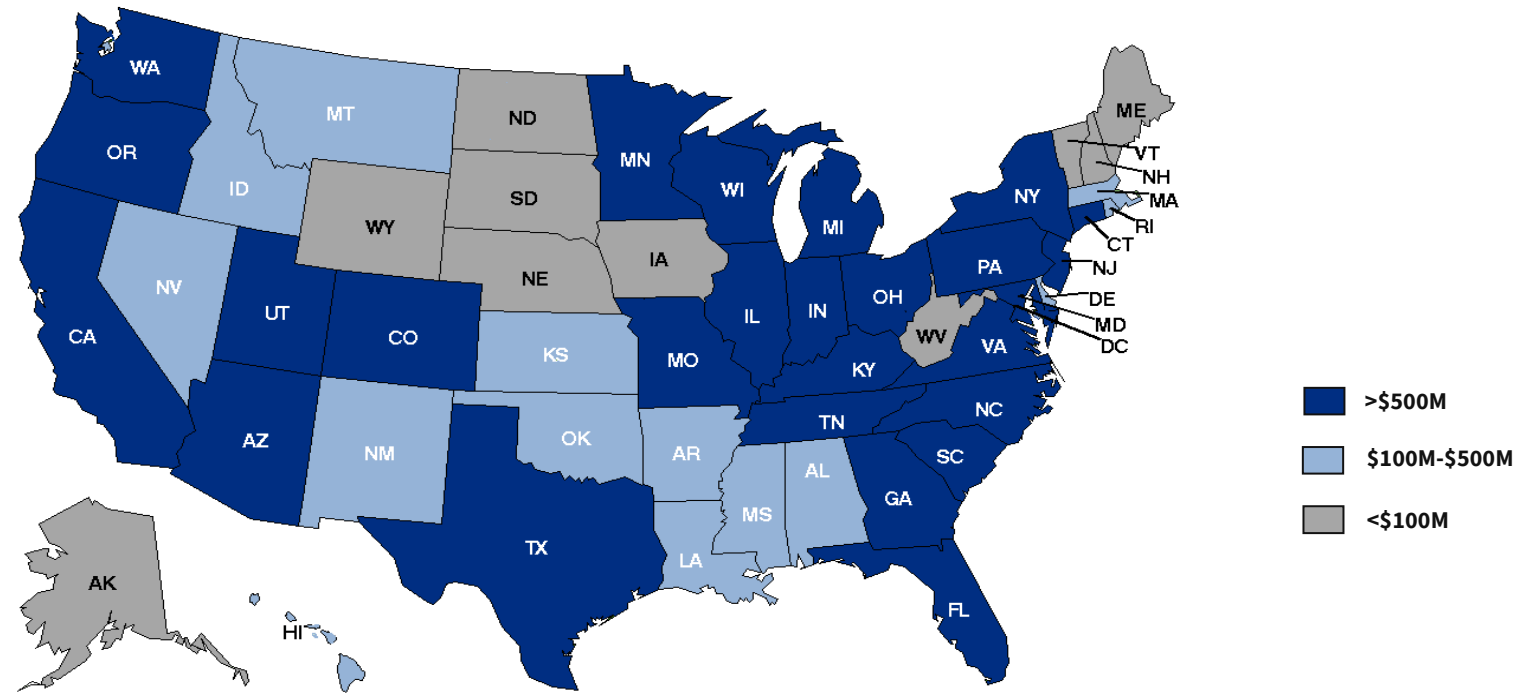
¹Amounts may not total to 100% due to rounding. Percentages are based on unit count.

²2023 Housing Goals numbers are subject to final determination by FHFA.



Fannie Mae Multifamily Acquisitions by Region¹

Full Year 2023



Top 10 MSAs

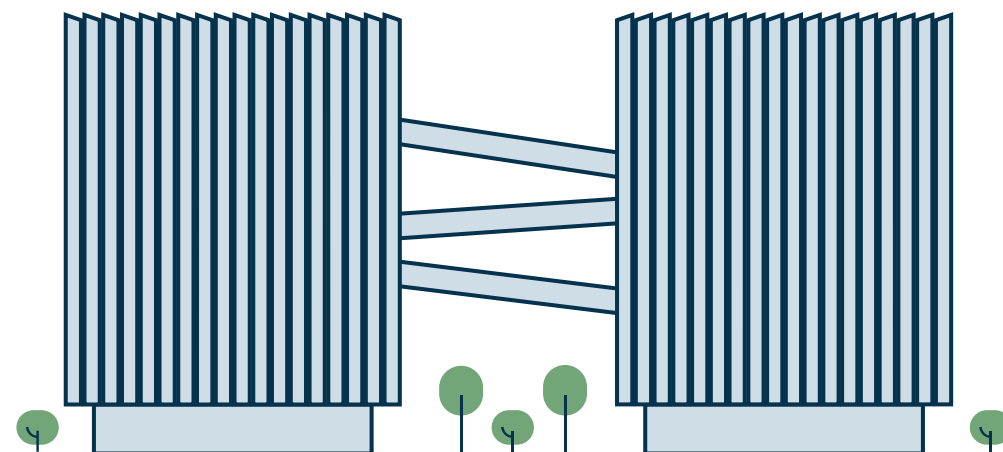
MSA	% of UPB	MSA	% of UPB
New York-Newark-Jersey City, NY-NJ-PA	5%	Chicago-Naperville-Elgin, IL-IN-WI	2%
Los Angeles-Long Beach-Anaheim, CA	4%	Philadelphia-Camden-Wilmington, PA-NJ-DE-MD	2%
Dallas-Fort Worth-Arlington, TX	3%	San Francisco-Oakland-Berkeley, CA	2%
Washington-Arlington-Alexandria, DC-VA-MD-WV	3%	Seattle-Tacoma-Bellevue, WA	2%
Atlanta-Sandy Springs-Roswell, GA	3%	Denver-Aurora-Lakewood, CO	2%

¹Excludes loans secured by multiple properties that are not located in the same MSA

The top 10 MSAs represented nearly 30% of 2023 multifamily acquisitions

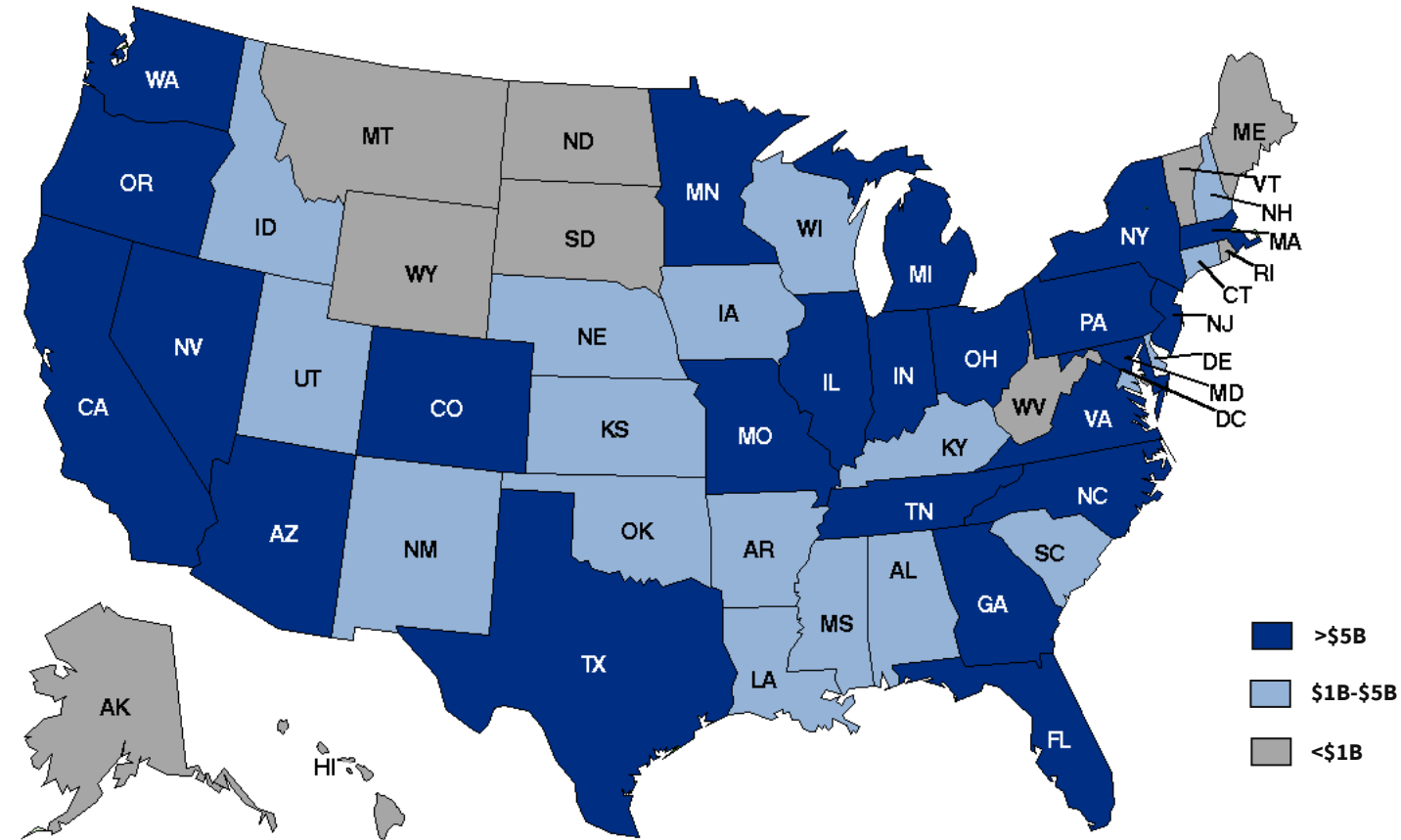


Fannie Mae Multifamily Guaranty Book - Diversification and Balance



Fannie Mae Multifamily Guaranty Book – Geographical Distribution by UPB¹

As of December 31, 2023



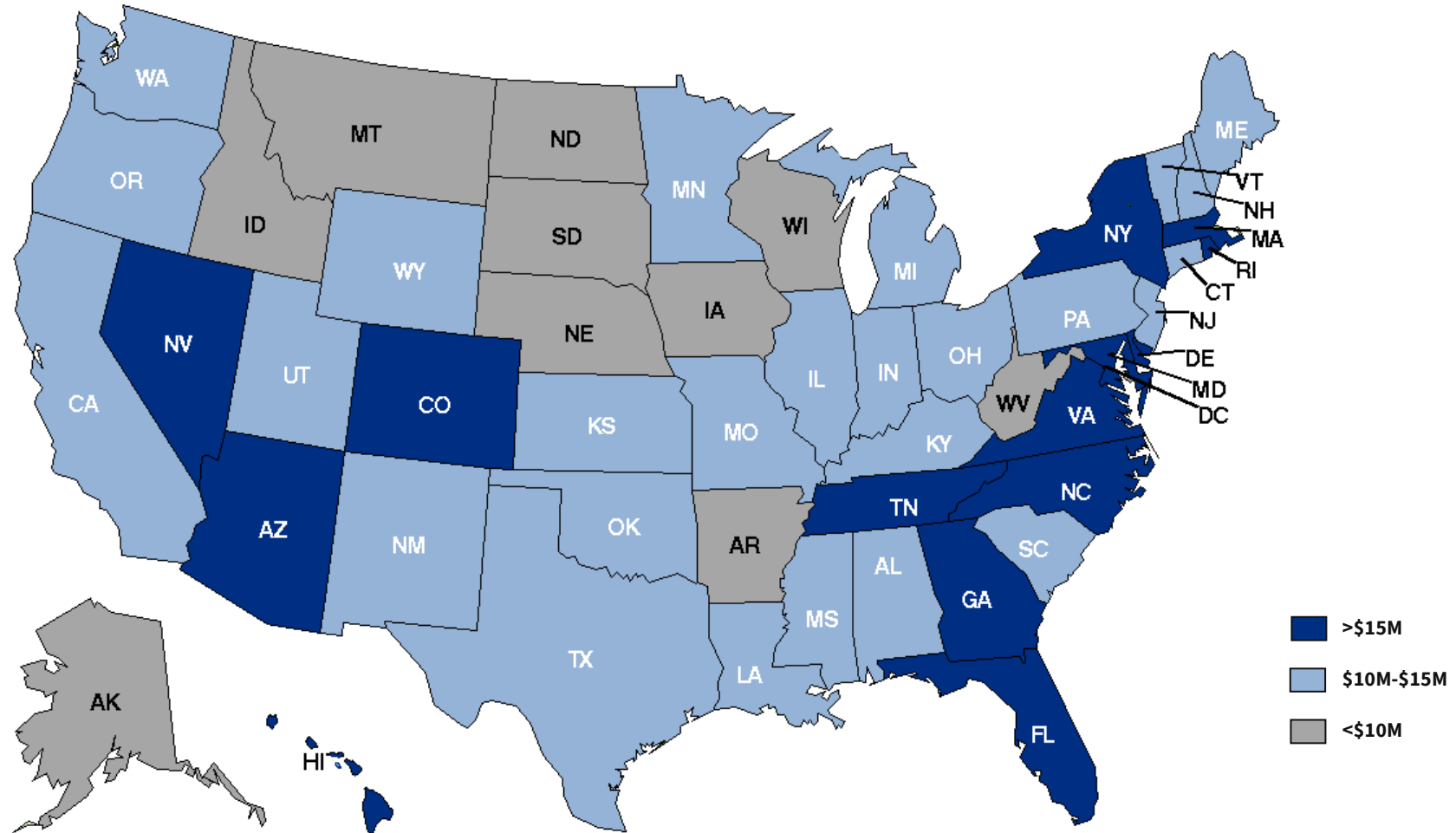
¹Excludes loans secured by multiple properties that are not located in the same MSA

Fannie Mae supports multifamily financing in all 50 states



Fannie Mae Multifamily Guaranty Book – Geographical Distribution by Average Loan Size¹

As of December 31, 2023

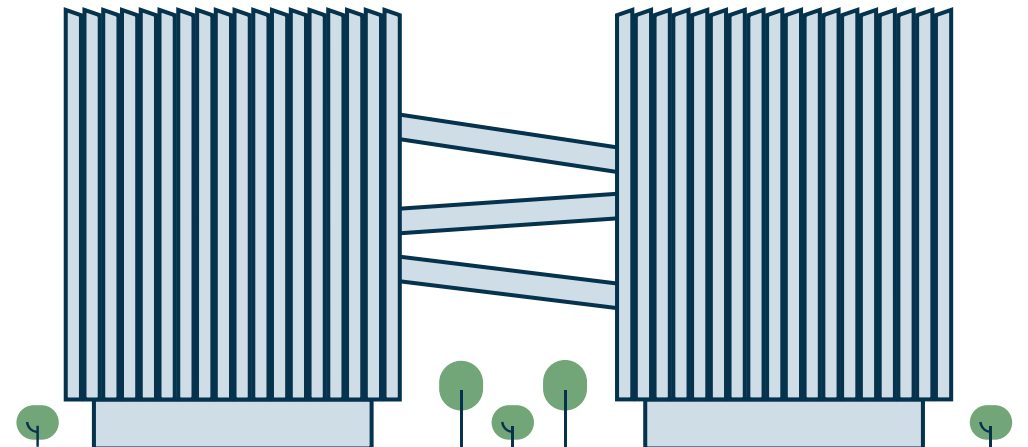


¹Excludes loans secured by multiple properties that are not located in the same MSA

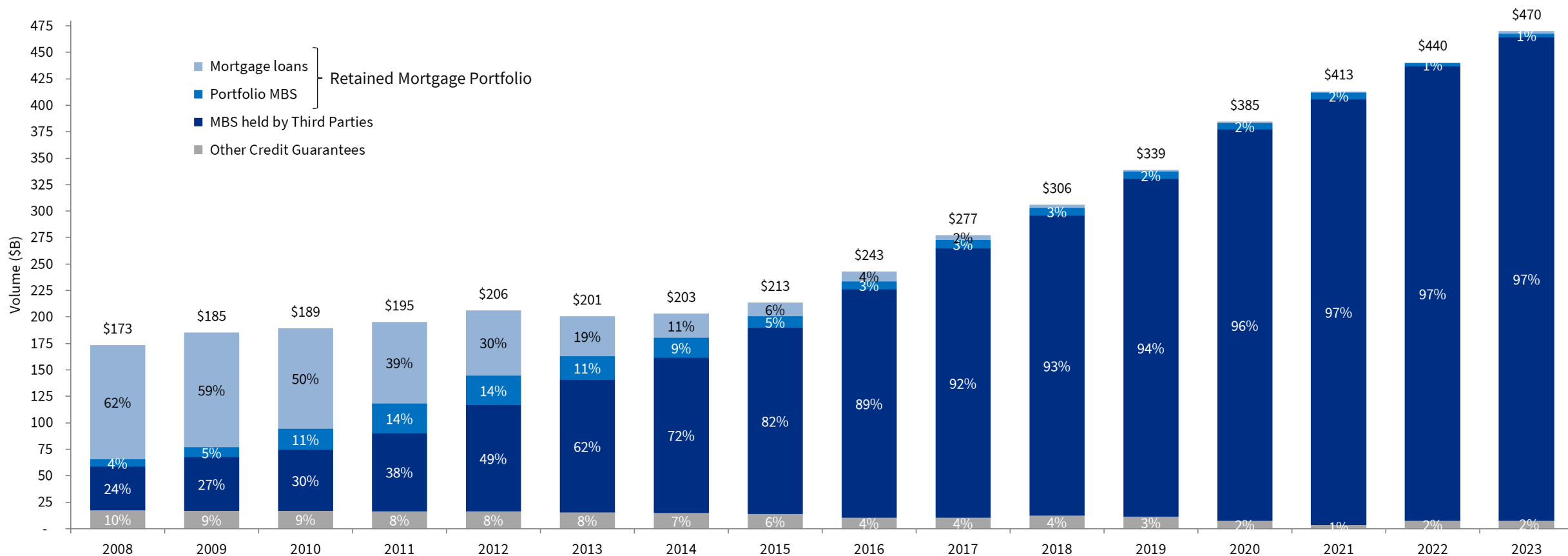
Fannie Mae's average multifamily loan size nationwide was approximately \$16M as of December 31, 2023



Fannie Mae Mortgage-Backed Securities



Fannie Mae Multifamily Guaranty Book by Execution Type



Fannie Mae Multifamily has been a reliable source of mortgage capital for the secondary mortgage market, primarily through our DUS MBS.

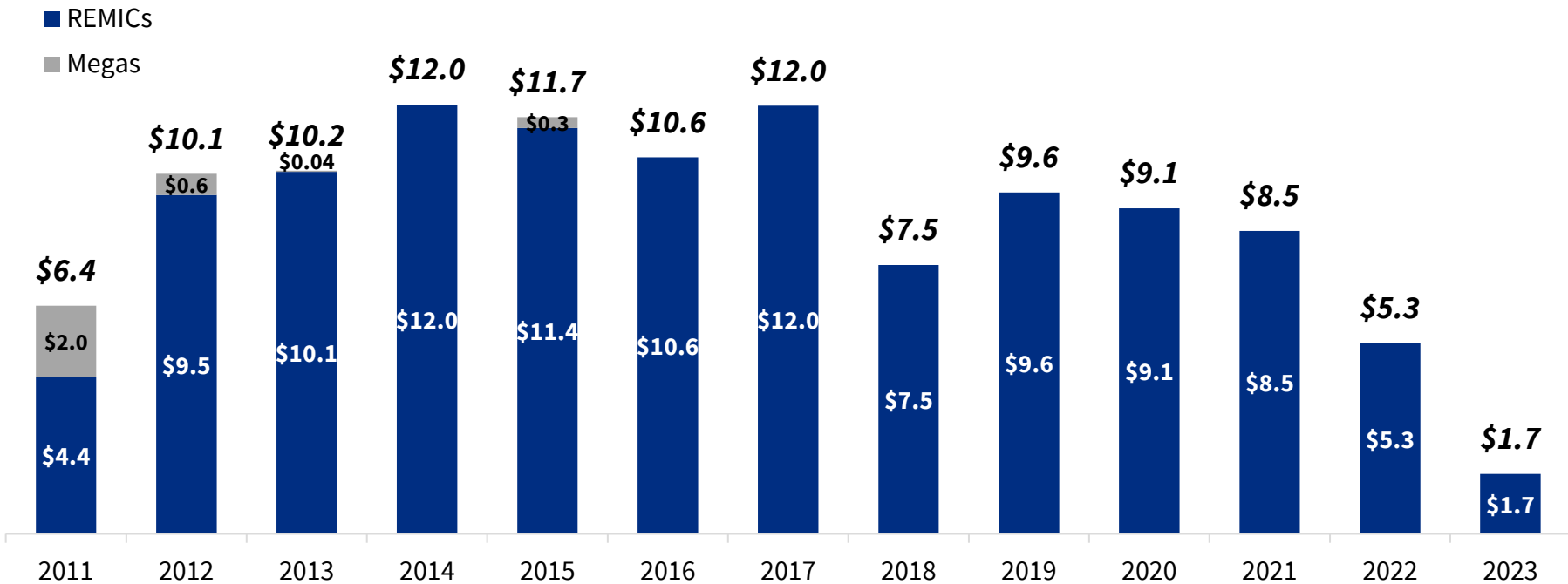
Notes:

- Numbers may not sum due to rounding
- Amounts measured at period-end



Fannie Mae Multifamily Guaranteed Securities (GeMS™) Issuance¹

Total \$ in Billions²



- Structured MF Securities created by collateral selected by Fannie Mae
- Executed via REMIC or Mega Structures
- Collateral Diversification
- Customizable Cash Flows
- Block Size & Par Pricing
- Dealer Syndicate Distribution

GeMS issuance has facilitated market activity

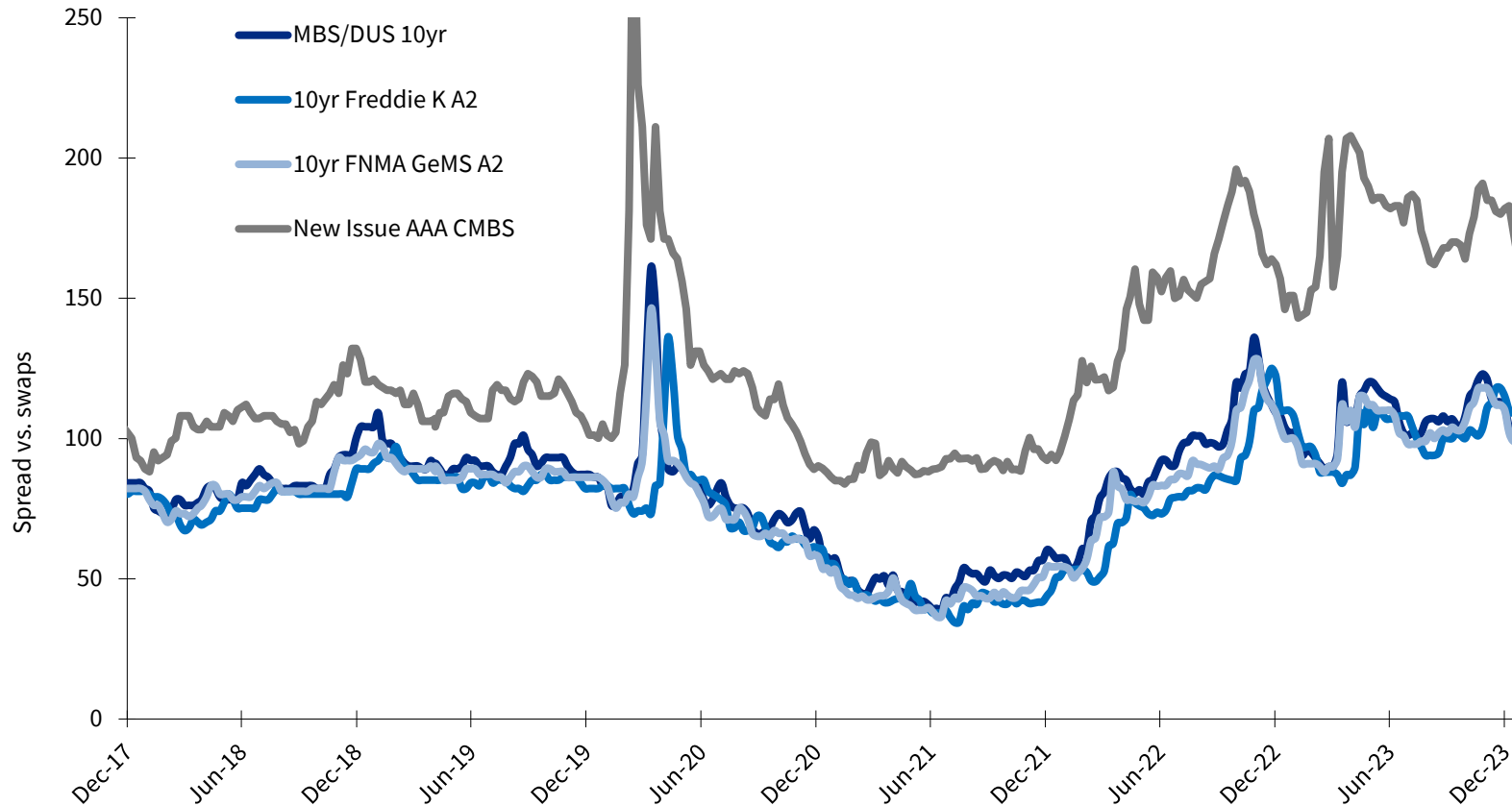
¹Amounts are rounded to the nearest whole number and may not foot. A portion of structured securities issuances may include MBS issuances held by Fannie Mae in that same period. These do not include structured securities backed by Fannie Mae MBS that are issued by a third party.

²Excludes GeMS sold in the secondary market.



Multifamily Market Spreads

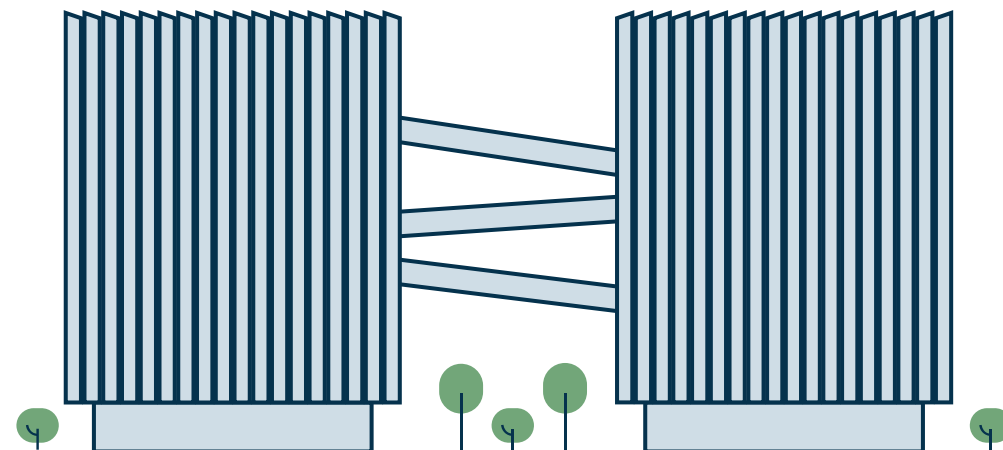
Trailing New Issue AAA CMBS, MBS/DUS®, GeMS and Freddie K Spreads



DUS spreads remained resilient despite the recent volatility associated with the uncertainty surrounding economic data, the Federal Reserve's monetary policy, and inflationary pressures.



Fannie Mae Multifamily Delegated Underwriting and Servicing (DUS[®])



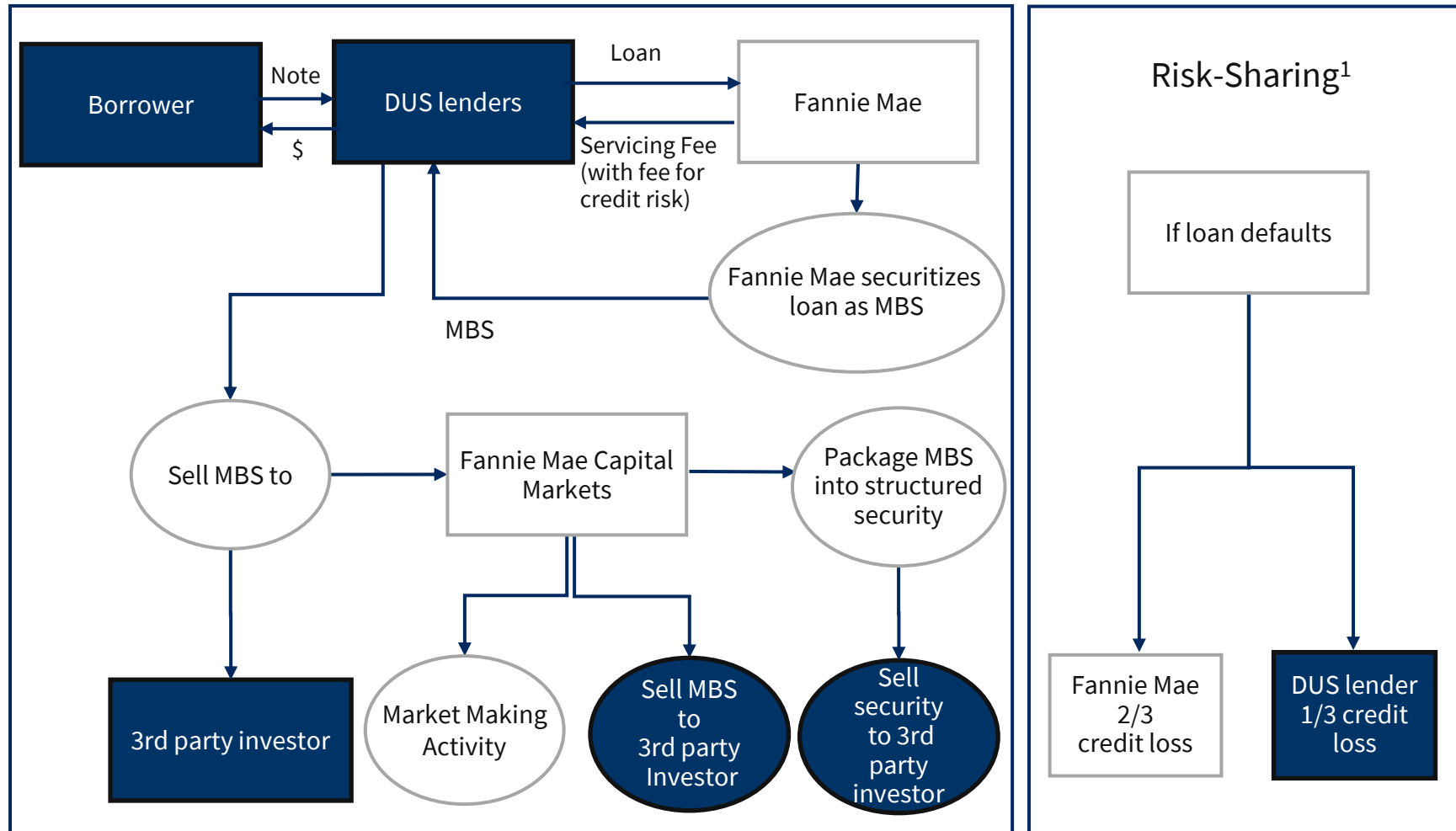
Fannie Mae Multifamily DUS Lenders

DUS Lenders and their affiliates service substantially all of the Multifamily Guaranty Book		
Arbor	Greystone	Northmarq
Basis	HomeStreet	PGIM
Bellwether	JLL	PNC
Berkadia	JPMorgan Chase	Regions
Capital One	KeyBank	Walker & Dunlop
CBRE	Lument	Wells Fargo
Citi	M&T	
Colliers	Newmark	
Grandbridge	Newpoint	

Multifamily lender base includes both large financial institutions as well as independent mortgage lenders



Fannie Mae Multifamily Private Capital in the DUS Model



Private capital is part of every Fannie Mae Multifamily transaction

Note: Blue indicates presence of private capital

¹ Our DUS model typically results in our lenders sharing approximately one-third of the credit risk on our multifamily loans, either on a pro-rated or tiered basis. In addition to lender loss sharing, Fannie Mae transfers a portion of the credit risk it assumes via its MCAS and MCIRT credit risk transfer programs



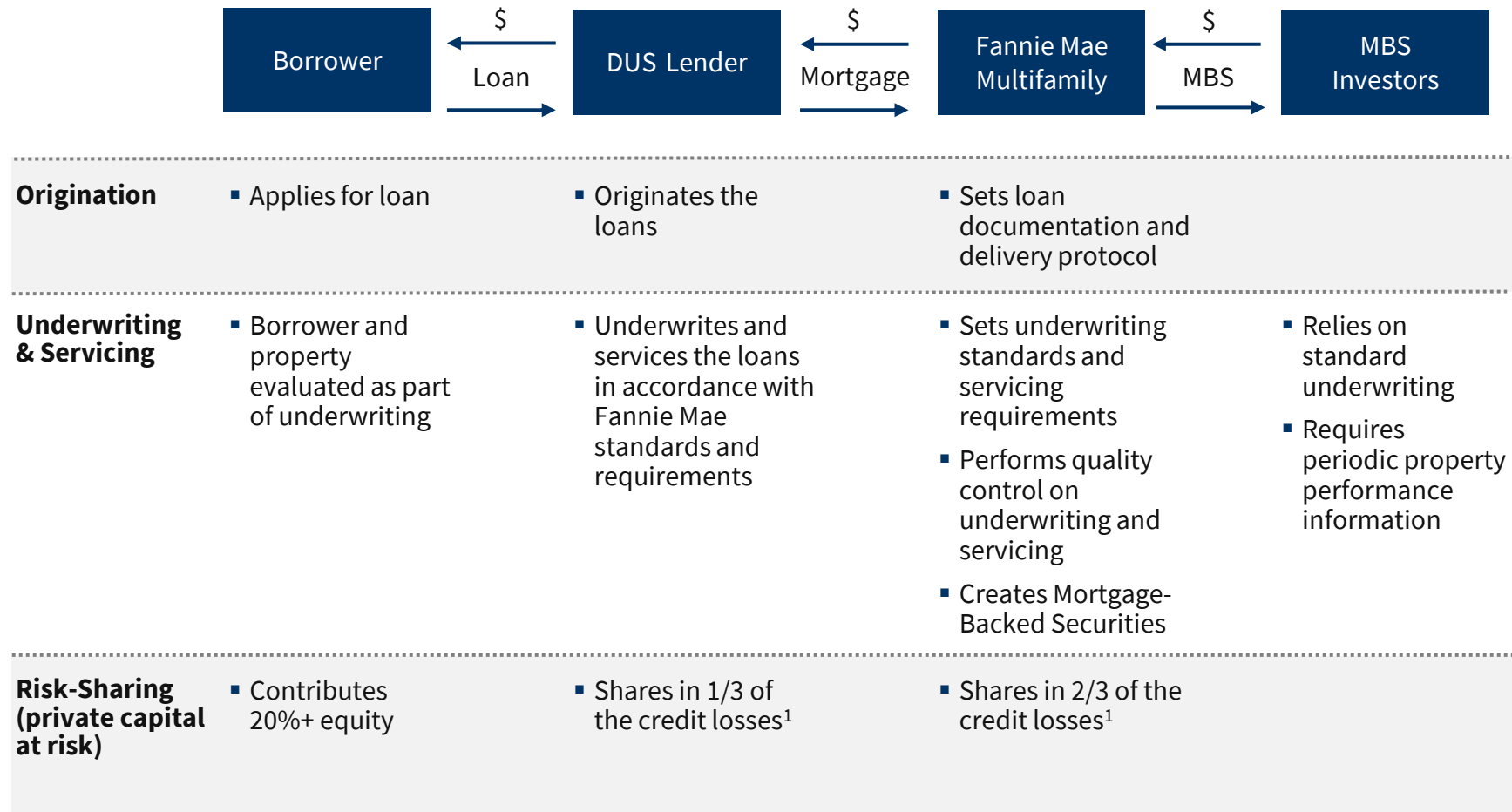
Benefits of the DUS Model

	Borrower	Lender	Fannie Mae	Investor
Benefits	<ul style="list-style-type: none"> ▪ Competitive pricing ▪ Broad range of financing products ▪ Standardized loan documents ▪ Shorter timelines to loan closing ▪ Range from individual sponsors to REITs, pension funds, etc. ▪ Contributes 20%+ equity 	<ul style="list-style-type: none"> ▪ Delegated authority ▪ Consistent underwriting and servicing standards ▪ Higher servicing fee income ▪ 24 DUS lenders range from independents to large diversified financial institutions ▪ Shares in approximately 1/3 of the credit losses¹ 	<ul style="list-style-type: none"> ▪ Steady guaranty fee income ▪ Scalable ▪ Provides financing through all economic cycles ▪ Shares in approximately 2/3 of the credit losses¹ 	<ul style="list-style-type: none"> ▪ Highly-rated credit strength ▪ Enhanced liquidity ▪ Call (prepayment) protection ▪ Lower spread volatility ▪ Stable cash flows

DUS is a unique model that leverages private capital, aligns interests through risk-sharing, and provides attractive structures to investors



Fannie Mae Multifamily DUS Risk-Sharing and Delegation Model



Fannie Mae Multifamily has a unique risk-sharing model that aligns the interests of Fannie Mae and DUS lenders

¹ Example illustrates pro-rated loss sharing



Fannie Mae Multifamily DUS Features and Benefits

Features	Benefits
Industry Continuity	<ul style="list-style-type: none"> ▪ Countercyclical stability – consistently provides access to credit throughout economic cycles ▪ Promotes confidence that funding and liquidity will be accessible
Published Underwriting and Servicing Guidelines and Loan Documents	<ul style="list-style-type: none"> ▪ Sets industry standards for multifamily underwriting and servicing best practices ▪ Promotes standardization and transparency across all industry participants ▪ Facilitates reliable securities disclosures
Delegation and Scalability	<ul style="list-style-type: none"> ▪ Enables Fannie Mae to scale the business as industry conditions change ▪ Improves efficiency and, therefore, responsiveness to customers
Network of Approved Lenders/ Servicers	<ul style="list-style-type: none"> ▪ Maintains a group of business relationships based on: <ul style="list-style-type: none"> ▪ Financial strength ▪ Extensive multifamily underwriting and servicing experience ▪ Strong portfolio performance ▪ Creation of quality branded product
Risk-Sharing	<ul style="list-style-type: none"> ▪ Borrowers, Lenders, and Fannie Mae have shared interests throughout the life of the loan ▪ Awareness of risk potential improves processes and performance of all parties ▪ Optimizes outcomes (e.g., profitability and loss mitigation) for all participants
DUS® Mortgage-Backed Security (DUS®/MBS)	<ul style="list-style-type: none"> ▪ Transforms a mortgage loan into a more liquid asset, which increases available funds in the financial system ▪ Offers investors highly-rated credit strength due to Fannie Mae's guarantee of timely payment of principal and interest

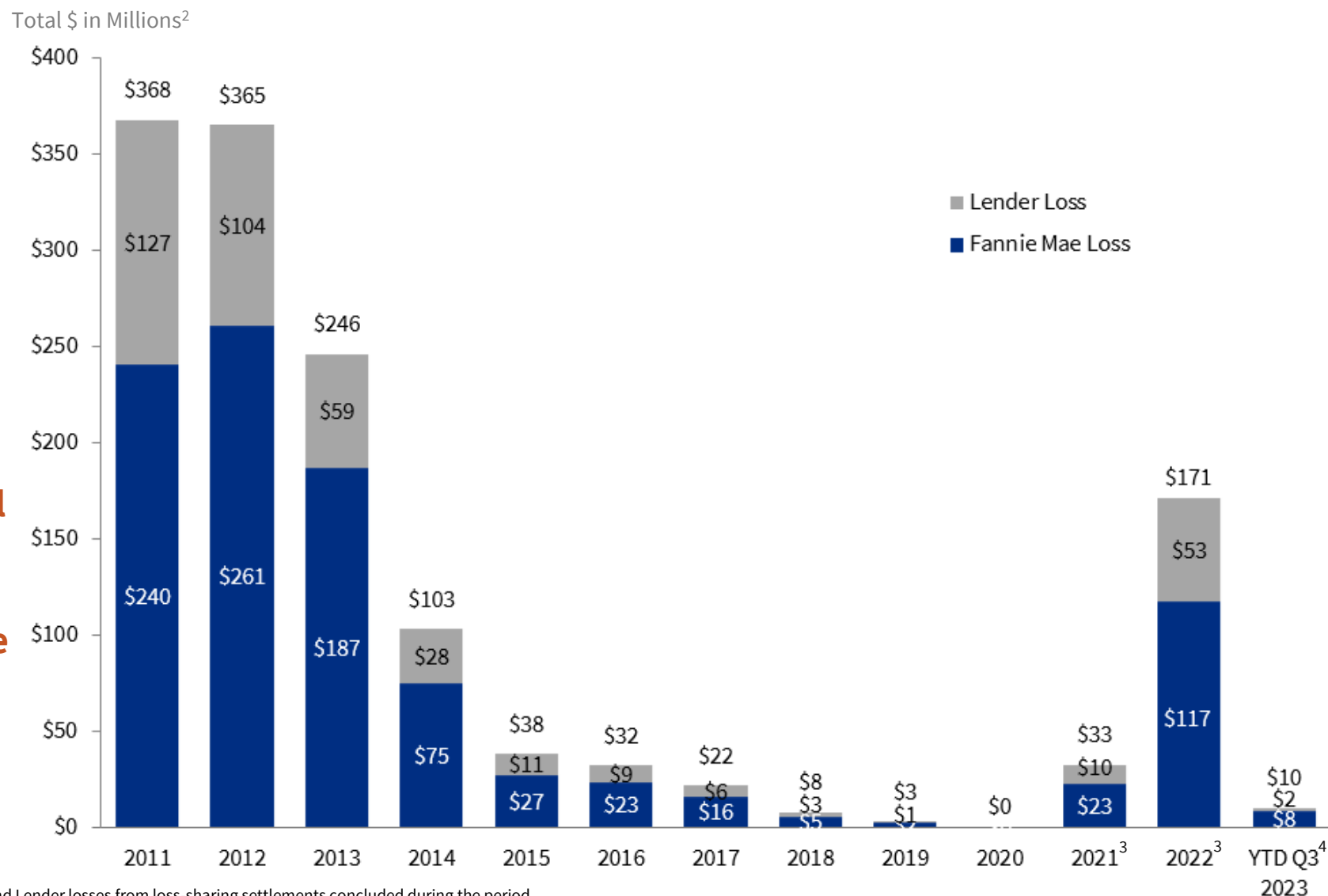
The delegated model allows Fannie Mae to be more responsive to customers



Managing Multifamily Losses – Fannie Mae vs Lender Loss Sharing¹

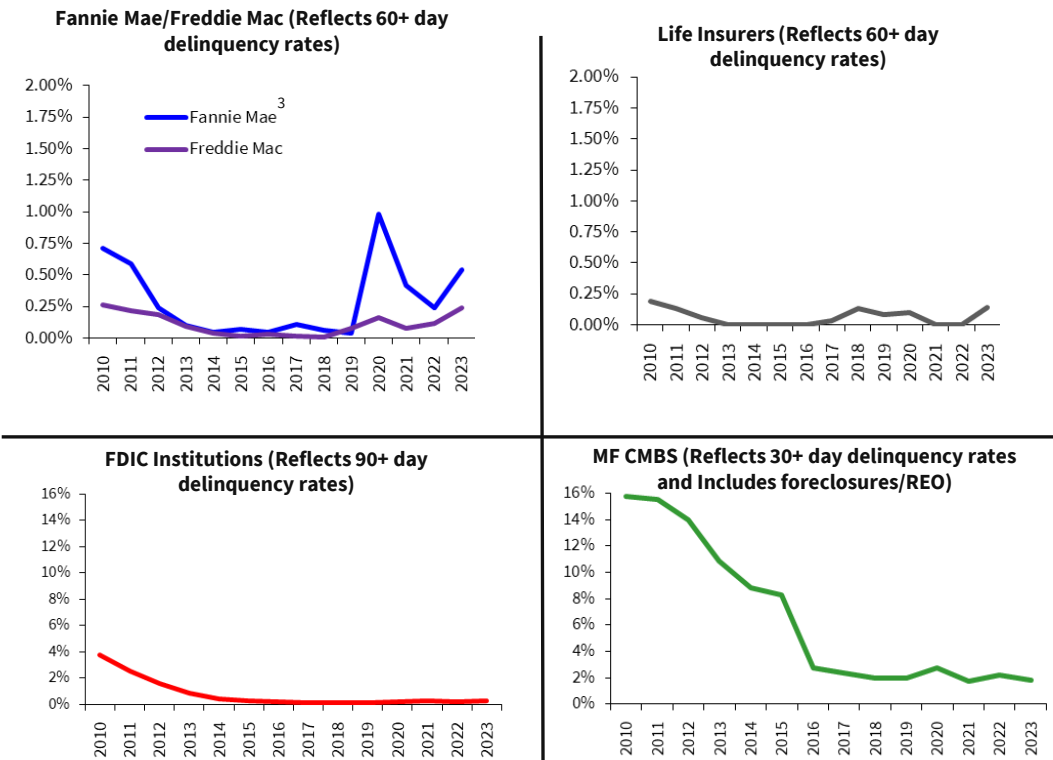


Fannie Mae lender partners have assumed approximately 27% of all losses on Multifamily loans that have gone through settlement since 2013

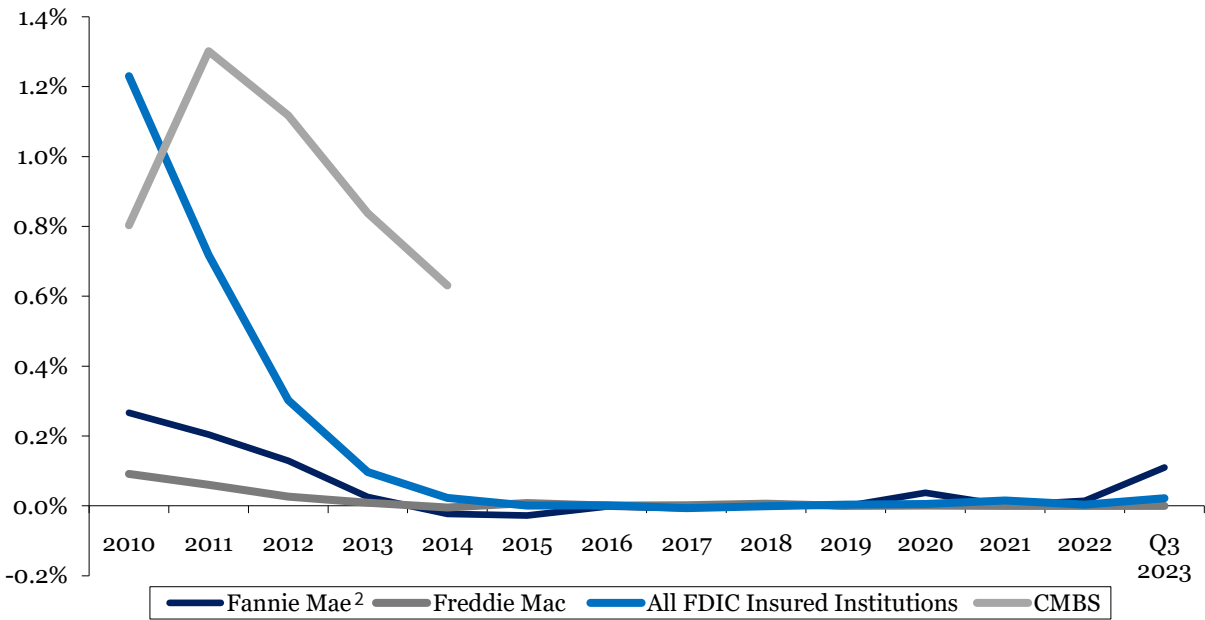


Fannie Mae Credit Performance Compared to Other Market Participants

MF Delinquencies 2010 – Q3 2023



MF Credit Losses to Book: 2010 – Q3 2023¹



Market Participant	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	Q3 2023
Fannie Mae	0.71%	0.59%	0.24%	0.10%	0.05%	0.07%	0.05%	0.11%	0.06%	0.04%	0.98%	0.42%	0.24%	0.54%
Freddie Mac	0.26%	0.22%	0.19%	0.09%	0.04%	0.02%	0.03%	0.02%	0.01%	0.08%	0.16%	0.08%	0.12%	0.24%
All FDIC Insured Institutions	3.74%	2.53%	1.56%	0.83%	0.44%	0.28%	0.18%	0.15%	0.15%	0.11%	0.22%	0.25%	0.17%	0.29%
Life Insurers	0.19%	0.13%	0.06%	0.00%	0.00%	0.00%	0.00%	0.03%	0.13%	0.08%	0.10%	0.00%	0.00%	0.14%
MF CMBS with Foreclosures & REO	15.80%	15.57%	13.98%	10.86%	8.85%	8.28%	2.72%	2.36%	1.98%	2.00%	2.75%	1.76%	2.17%	1.85%

Market Participant	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	Q3 2023
Fannie Mae	0.27%	0.20%	0.13%	0.03%	-0.02%	-0.03%	0.00%	-0.01%	0.01%	0.00%	0.04%	0.00%	0.01%	0.11%
Freddie Mac	0.09%	0.06%	0.03%	0.01%	0.00%	0.01%	0.00%	0.00%	0.01%	0.00%	0.00%	0.00%	0.00%	0.00%
All FDIC Insured Institutions	1.23%	0.72%	0.30%	0.10%	0.02%	0.00%	0.00%	-0.01%	0.00%	0.00%	0.01%	0.02%	0.00%	0.02%
CMBS	0.80%	1.30%	1.12%	0.84%	0.63%	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A

Fannie Mae has served the multifamily market broadly, maintaining sound credit performance

¹ FDIC bank data reflects net charge-offs to book. CMBS data only available through Q4 2014.
² Fannie Mae credit losses are shown net of loss sharing. For the detailed breakout of credit losses and loss sharing benefits please reference the 2023 10-K.
³ Fannie Mae's multifamily serious delinquency rate includes delinquent loans in forbearance, while Freddie Mac's multifamily serious delinquency rate excludes loans in forbearance if the borrowers are in compliance with the forbearance agreement.
Sources: Fannie Mae, FRE Volumes Summary, FDIC, American Council of Life Insurers (ACLI), Trepp

