

# Multifamily Business Information Presentation

Updated May 2021

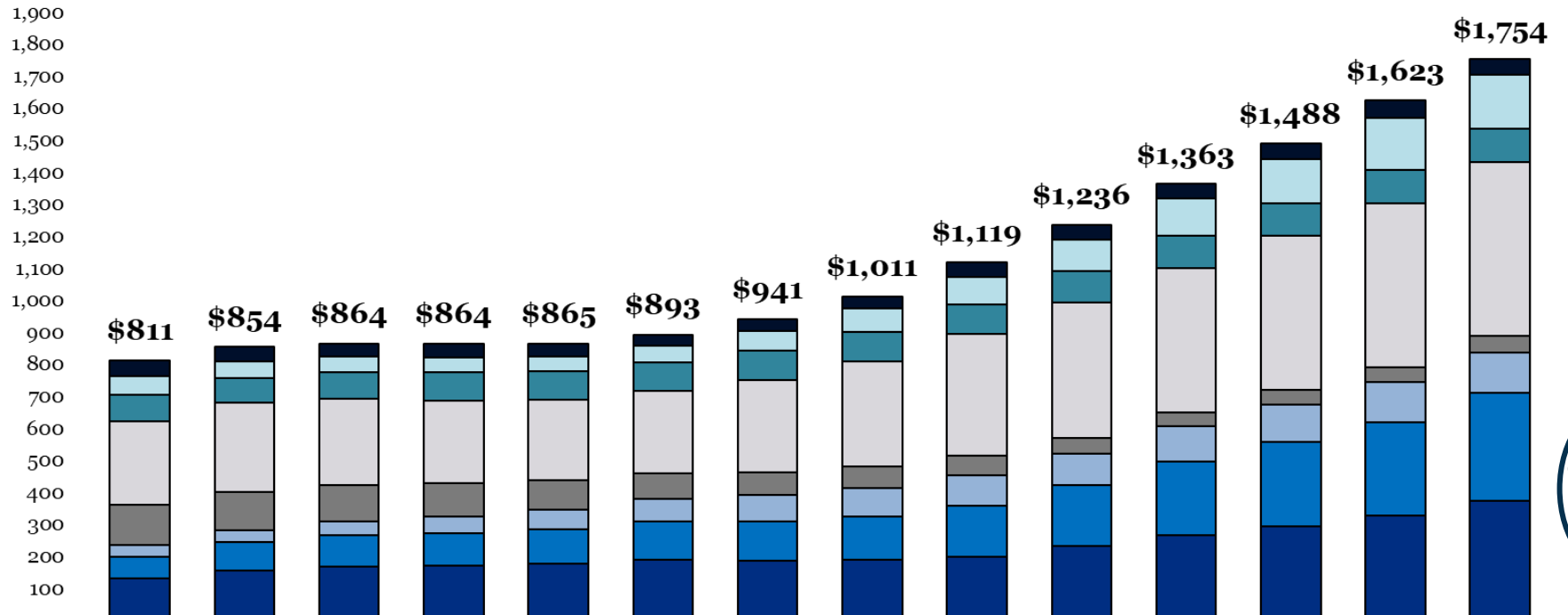


# Multifamily Mortgage Debt Outstanding (MDO) by Holders of Credit Risk



Fannie Mae has continued to guarantee approximately 20% of Multifamily MDO in recent years

Total \$ in Billions



GSEs  
Guarantee 40%  
of MF MDO  
FNM: 21%  
FRE: 19%

	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
■ Other	50	44	41	43	39	36	36	37	45	46	45	48	54	51
□ Life Insurance Companies	56	52	47	46	48	51	62	75	86	99	115	137	162	168
■ State & Local Credit Agencies	83	76	83	90	89	87	91	91	93	97	103	103	103	106
□ Banks & Thrifts	261	280	271	258	251	259	290	327	379	425	451	482	513	541
■ CMBS	126	118	112	103	91	80	71	68	62	48	43	44	46	51
□ Ginnie Mae	38	39	44	52	60	71	82	90	94	99	109	118	125	128
■ Freddie Mac	67	88	98	100	107	119	124	135	160	191	231	262	291	335
■ Fannie Mae	132	156	168	172	179	190	185	189	200	231	266	295	329	375
<b>Total</b>	<b>811</b>	<b>854</b>	<b>864</b>	<b>864</b>	<b>865</b>	<b>893</b>	<b>941</b>	<b>1,011</b>	<b>1,119</b>	<b>1,236</b>	<b>1,363</b>	<b>1,488</b>	<b>1,623</b>	<b>1,754</b>
<b>Fannie Mae's Share of MF MDO</b>	<b>16%</b>	<b>18%</b>	<b>19%</b>	<b>20%</b>	<b>21%</b>	<b>21%</b>	<b>20%</b>	<b>19%</b>	<b>18%</b>	<b>19%</b>	<b>20%</b>	<b>20%</b>	<b>20%</b>	<b>21%</b>

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

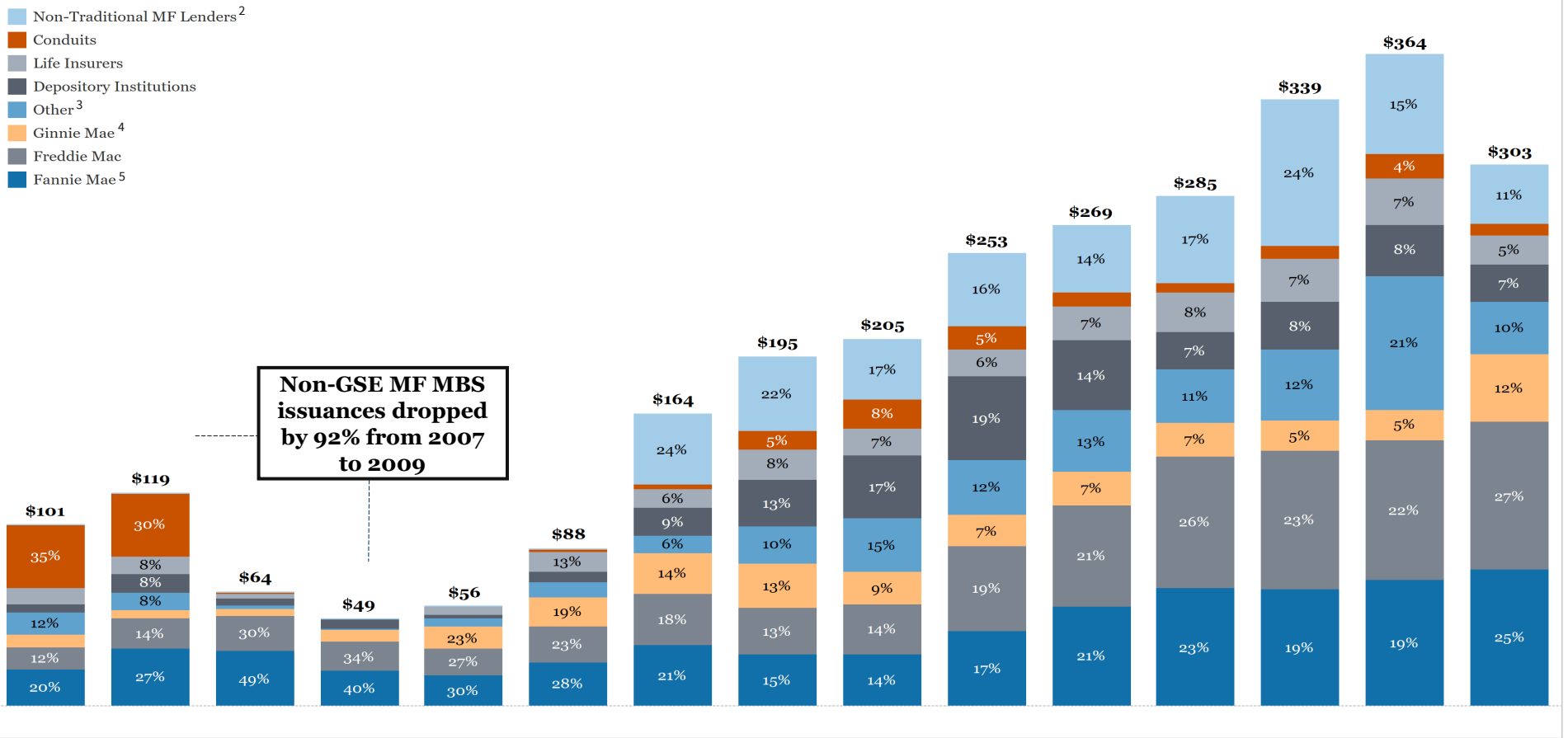


# Estimated Competitive Multifamily Market Acquisitions by Participant<sup>1</sup>



Diversified participation exists in the multifamily market today

Total \$ in Billions



Fannie Mae Volume (\$B) 2006 - 2020

2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
\$20	\$32	\$31	\$20	\$17	\$24	\$34	\$29	\$29	\$42	\$55	\$66	\$65	\$70	\$76

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

**Notes:**

<sup>1</sup> Estimated competitive market size is Fannie Mae's internal estimate of multifamily originations activity.

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

<sup>3</sup> Other includes state and local credit agencies, FHLBs and other financial institutions.

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

<sup>5</sup> 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 Multifamily Acquisitions by Asset Class



Fannie Mae serves many sectors of the multifamily housing market

Total \$ in Billions

Manufactured Housing
Seniors Housing
Student Housing
Conventional & Coop

Total Multifamily Acquisitions<sup>1</sup>

	Acquisition Year											YTD Q1 2021
	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	
Manufactured Housing	\$0.5	\$0.5	\$0.9	\$1.0	\$0.5	\$0.8	\$3.0	\$1.9	\$2.9	\$2.5	\$5.5	\$1.0
Seniors Housing	0.6	1.4	1.2	1.6	1.5	2.7	1.5	5.5	2.3	3.1	0.9	0.3
Student Housing	0.2	0.5	0.7	0.5	0.8	1.5	2.5	3.8	2.7	2.7	1.6	0.3
Conventional & Coop	15.5	22.0	30.9	25.7	26.1	37.3	48.2	54.8	57.4	61.9	67.9	19.9
<b>Total Multifamily Acquisitions<sup>1</sup></b>	<b>\$17</b>	<b>\$24</b>	<b>\$34</b>	<b>\$29</b>	<b>\$29</b>	<b>\$42</b>	<b>\$55</b>	<b>\$66</b>	<b>\$65</b>	<b>\$70</b>	<b>\$76</b>	<b>\$22</b>

Additional Loan Sectors Included in Total Acquisitions

Multifamily Affordable Housing <sup>2</sup>
Small Balance Loans <sup>3,4</sup>
5-50 Units <sup>4</sup>
Supplemental <sup>5</sup>
Green
Structured

Multifamily Affordable Housing <sup>2</sup>	\$0.8	\$2.3	\$3.8	\$2.3	\$2.6	\$3.0	\$4.3	\$5.4	\$6.0	\$7.2	\$7.8	\$2.7
Small Balance Loans <sup>3,4</sup>	3.8	4.4	5.5	4.4	2.9	2.9	3.1	3.4	3.0	4.1	5.4	1.6
5-50 Units <sup>4</sup>	1.4	1.5	1.9	1.5	0.8	1.0	1.3	1.7	1.7	2.6	4.8	1.7
Supplemental <sup>5</sup>	0.2	0.3	0.6	0.7	0.9	1.4	1.5	1.8	1.3	1.2	0.9	0.3
Green	N/A	N/A	0.06	0.06	0.02	0.2	3.6	27.8	20.1	22.8	13.0	6.4
Structured	0.8	2.0	1.8	1.9	1.5	3.5	4.5	10.3	9.5	8.6	11.6	1.9

**Notes:**

<sup>1</sup> Excludes \$1 billion and \$391 million from the Treasury HFA New Issue Bond program for 2010, respectively, and a transaction backed by a pool of single-family rental properties in 2017 totaling \$945 million. Totals are approximates.

<sup>2</sup> Financing for rent-restricted properties and properties receiving other federal and state subsidies. Excludes Treasury HFA New Issue Bond Program.

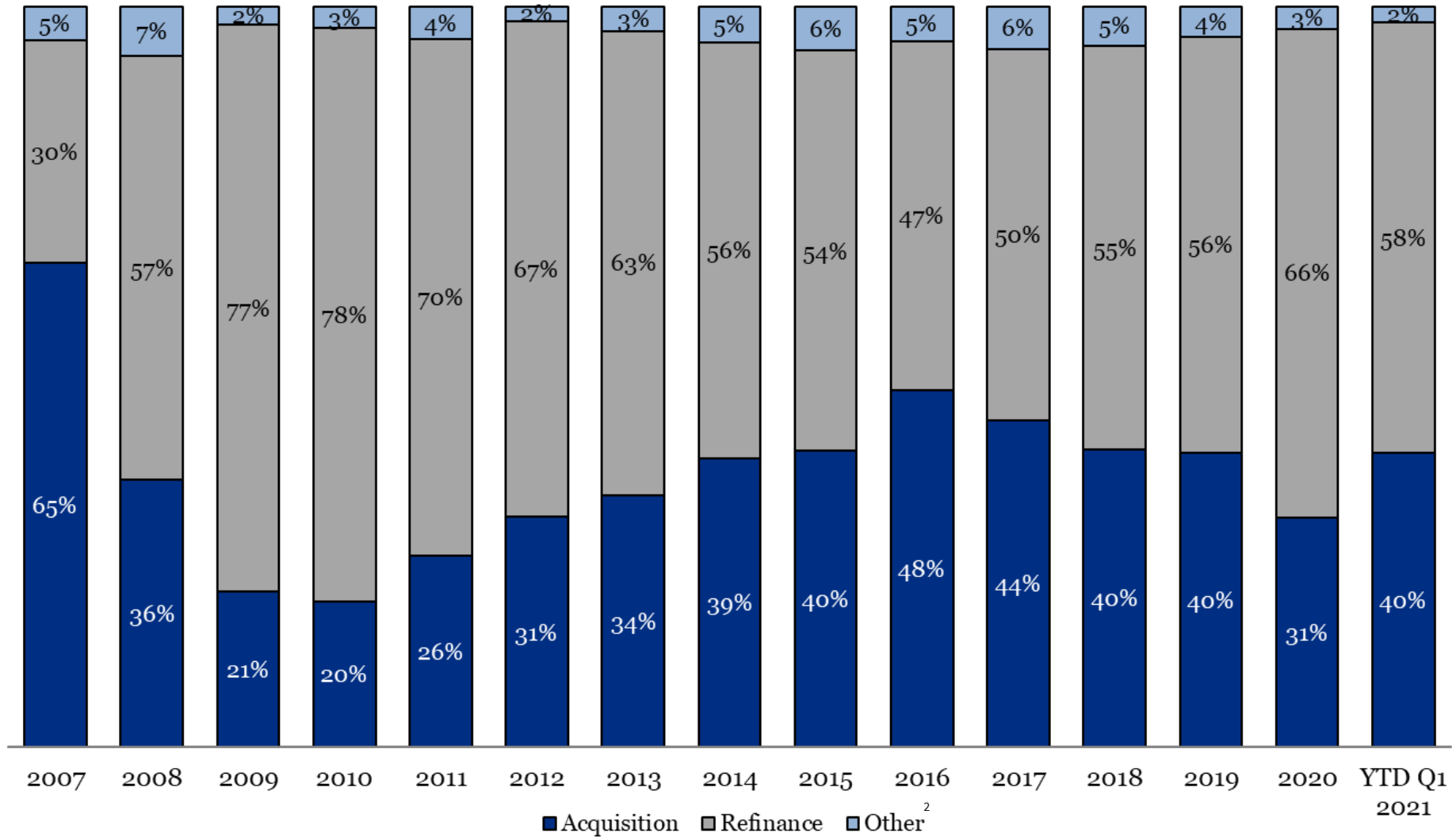
<sup>3</sup> Loans up to \$6 million.

<sup>4</sup> Combined population of Small balance and 5-50 units was \$2.5B through Q1 2021, \$7.6B in 2020, \$4.8B in 2019, \$4.3B in 2018, and \$4.9B in 2017.

<sup>5</sup> Loans that are second, third, or fourth liens on a property.



# Fannie Mae Multifamily Acquisitions by Financing Type <sup>1</sup>



**The majority of Fannie Mae Multifamily business volume continued to be refinances in the first quarter of 2021**

Note:

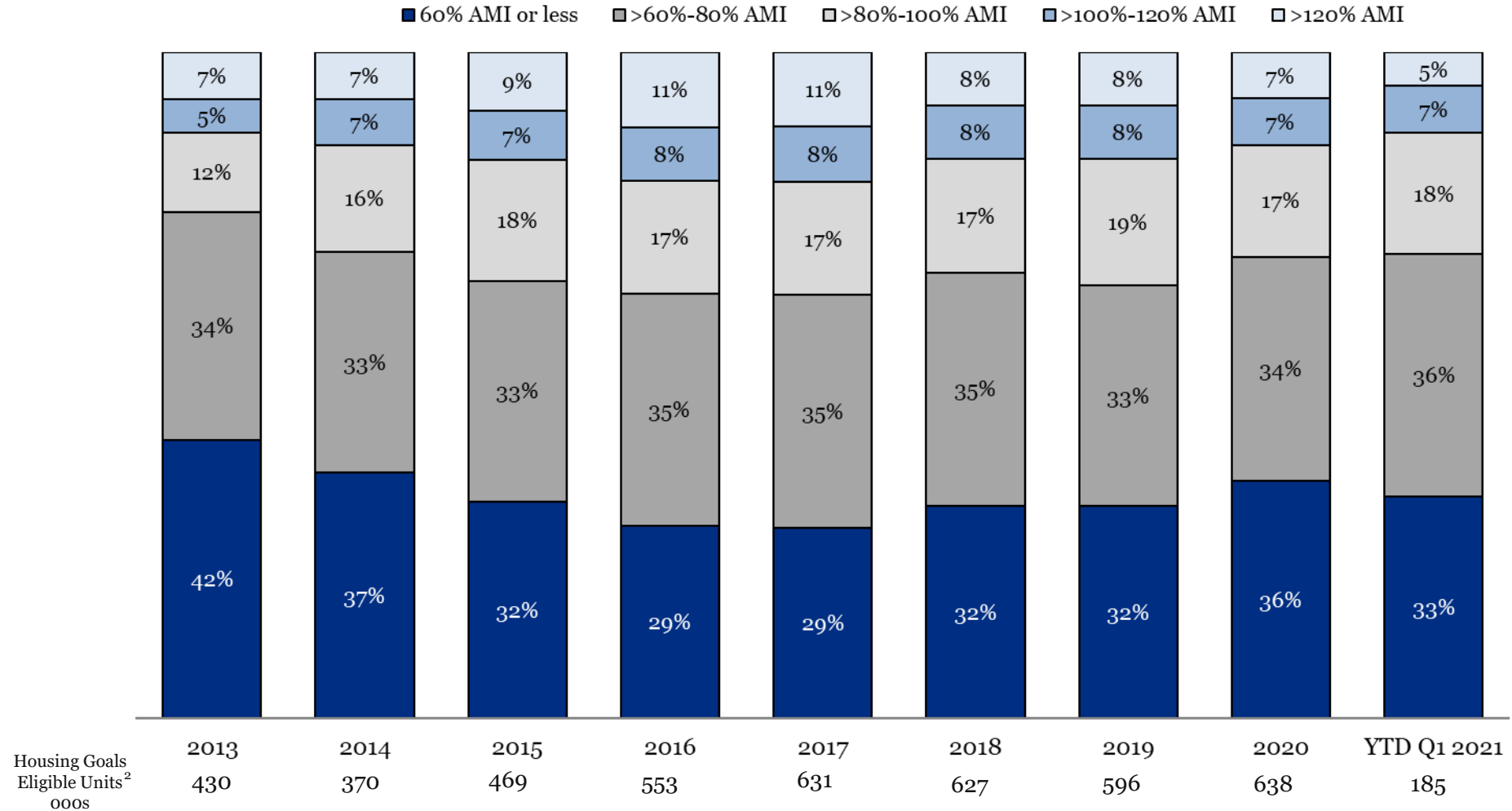
<sup>1</sup> Amounts may not total to 100% due to rounding

<sup>2</sup> Other financing types include supplemental financing on existing properties and construction take-outs. Construction take-out refers to the permanent debt on a newly constructed property where Fannie Mae did not provide construction financing.



# Fannie Mae Multifamily Acquisitions by Area Median Income (AMI) <sup>1</sup>

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



**The substantial majority of multifamily units financed by Fannie Mae continue to be affordable to families at or below 120% of the area median income**

Source: Fannie Mae, based on Housing Goals methodology

Note:

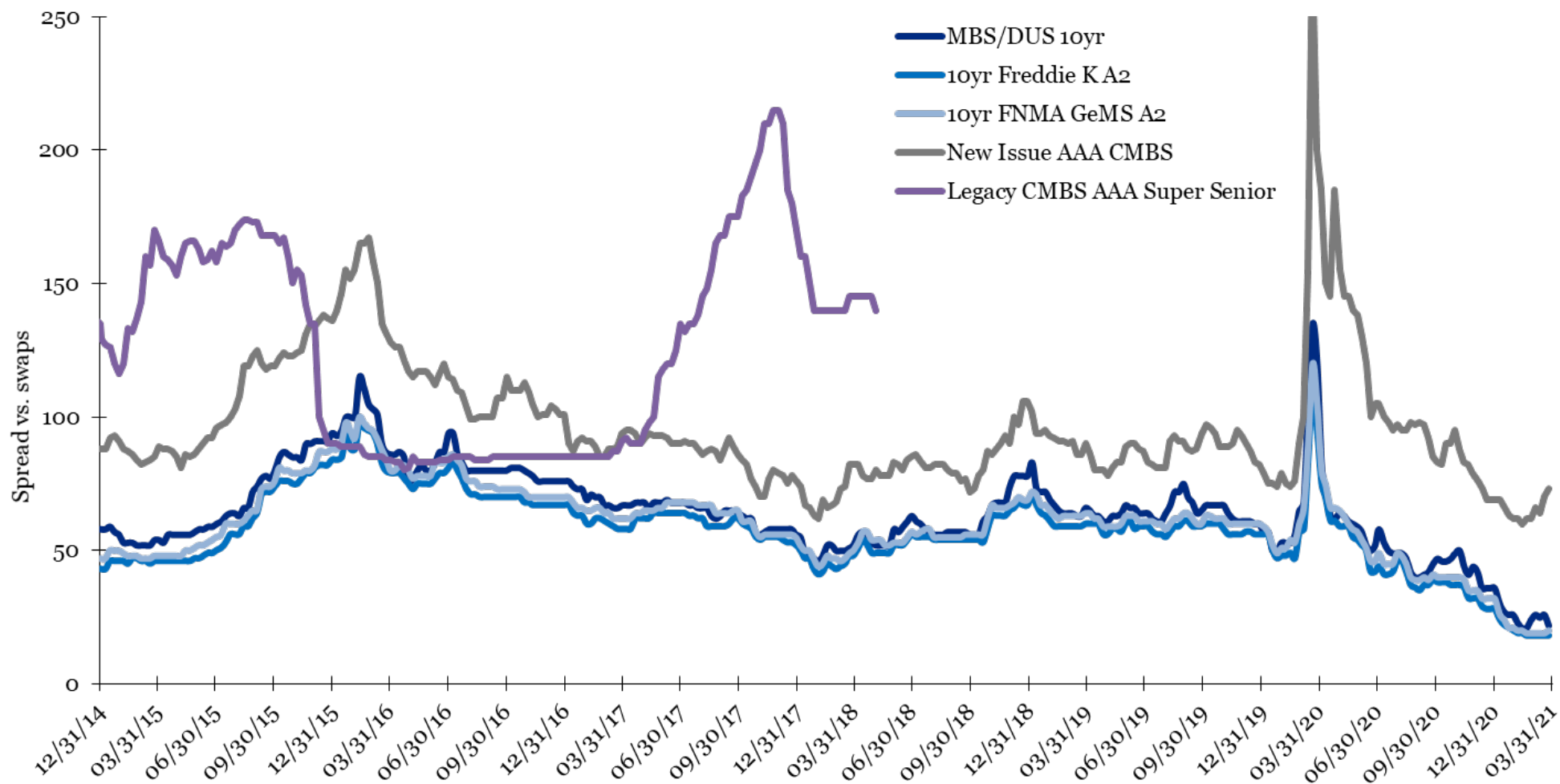
<sup>1</sup> Amounts may not total to 100% due to rounding

<sup>2</sup> 2020 Housing Goals numbers are subject to final determination by FHFA



# Multifamily Market Spreads

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



**Spreads widened significantly in the first half of 2020 given the economic uncertainty but have since narrowed**

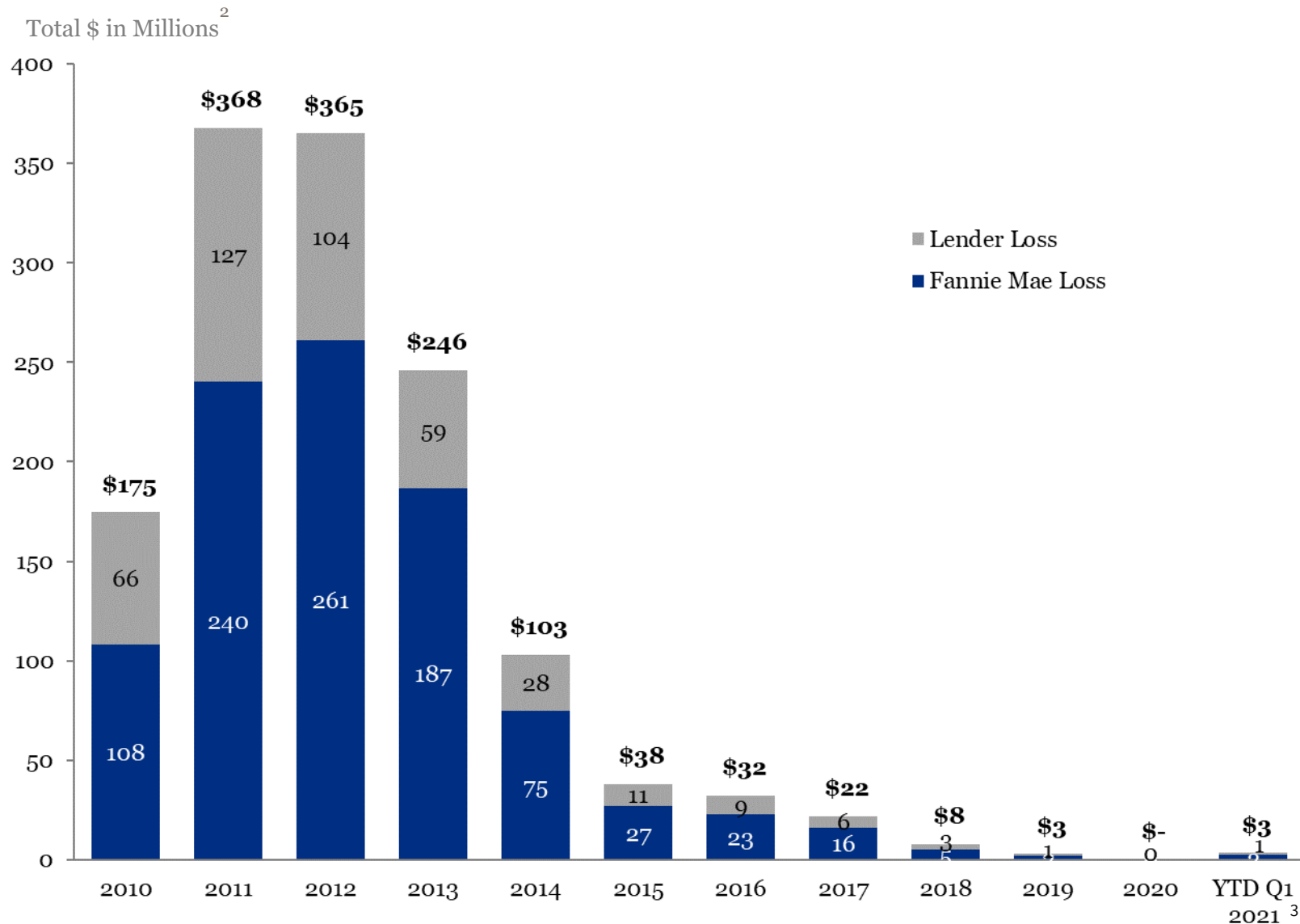
Source: JPMorgan



# Managing Multifamily Losses – Fannie Mae vs Lender Loss Sharing <sup>1</sup>



**Fannie Mae lender partners have assumed 30% of all losses on Multifamily loans that have gone through settlement since 2010**



**Notes:**

<sup>1</sup> Amounts reflect Fannie Mae and Lender losses from loss-sharing settlements concluded during the period

<sup>2</sup> Amounts are rounded to the nearest whole number and may not total.

<sup>3</sup> There were 14 pending settlements as of Mar 31, 2021

