



FEDERAL HOUSING FINANCE AGENCY
Office of the Director

January 23, 2015

Mr. Timothy J. Mayopoulos
President and Chief Executive Officer
Federal National Mortgage Association
3900 Wisconsin Avenue, N.W.
Washington, DC 20016

RE: Final Determinations of Fannie Mae's 2013 Housing Goals Performance

Dear Mr. Mayopoulos:

Thank you for the October 31, 2014 response to FHFA's preliminary determinations of Fannie Mae's performance on the housing goals for 2013.

FHFA has completed its review of Fannie Mae's performance under the housing goals for 2013, pursuant to section 1336 of the Federal Housing Enterprises Financial Safety and Soundness Act of 1992 (the Safety and Soundness Act) and 12 CFR part 1282. FHFA has determined that for 2013, Fannie Mae achieved the single-family low-income home purchase goal, low-income refinance goal, low-income areas home purchase goal, and low-income areas home purchase subgoal, as well as the multifamily low-income goal and multifamily very low-income subgoal.

However, FHFA has also determined that Fannie Mae failed to meet the single-family very low-income home purchase goal for 2013. FHFA has further determined that achievement of the 2013 very low-income home purchase goal for Fannie Mae was feasible. In making this determination, FHFA analyzed the size and composition of the conventional conforming primary mortgage market, as measured using Home Mortgage Disclosure Act (HMDA) data for 2013. FHFA also considered the financial condition of Fannie Mae in 2013.

Although FHFA has determined that achieving the single-family very low-income home purchase goal for Fannie Mae was feasible for 2013, FHFA will not require Fannie Mae to submit a formal housing plan under section 1336 of the Safety and Soundness Act with respect to this goal. However, FHFA will expect Fannie Mae to continue to make improvements in serving this market in line with both the housing goal requirements and FHFA's conservatorship expectations. FHFA will evaluate Fannie Mae's performance on the 2014 housing goals and will closely monitor and evaluate Fannie Mae's housing goals performance in 2015.

As specified in 12 CFR 1282.12, the single-family housing goals include both a benchmark level and a market level determined by FHFA based on its analysis of HMDA data for 2013. Fannie Mae meets a single-family housing goal if its official performance meets or exceeds either the benchmark level or the market level. FHFA's final determinations of Fannie Mae's official performance on the single-family housing goals for 2013 are set forth below:

Single-Family Housing Goals	Benchmark level – 2013	Market level – 2013	FHFA Final Determinations of Fannie Mae's 2013 Performance
Low-Income Home Purchase Goal	23%	24.0%	23.8%
Very Low-Income Home Purchase Goal	7%	6.3%	6.0%*
Low-Income Areas Home Purchase Goal	21%	22.1%	21.6%
Low-Income Areas Home Purchase Subgoal	11%	14.2%	14.0%
Low-Income Refinance Goal	20%	24.3%	24.3%

* Reflects goal not met.

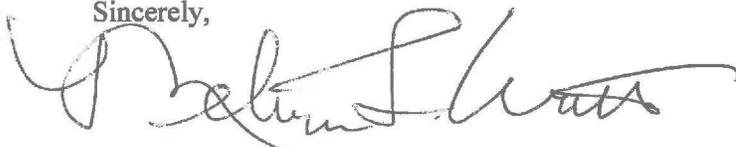
For each housing goal, the percentage shown above reflects the proportion of mortgages that met the criteria for that goal. A housing unit may count, as appropriate, towards more than one goal or subgoal in the performance year. The home purchase goals are based on Fannie Mae's acquisitions of purchase money mortgages, while the refinance goal is based on Fannie Mae's acquisitions of refinance mortgages.

Unlike the single-family housing goals, the multifamily housing goals are based solely on benchmark levels established in advance by FHFA pursuant to 12 CFR 1282.13. FHFA's final determinations of Fannie Mae's official performance on the multifamily housing goals for 2013 are set forth below:

Multifamily Housing Goals	Goal Target – 2013	FHFA Final Determinations of Fannie Mae's 2013 Performance
Low-Income Multifamily Goal	265,000	326,597
Very Low-Income Multifamily Subgoal	70,000	78,071

If you have any questions, please contact Nayantara Hensel, Associate Director for Policy Research, or Paul Manchester, Principal Economist, Office of Policy Analysis and Research, at 202-649-3122 or 202-649-3115.

Sincerely,



Melvin L. Watt