



Fannie Mae 2019
Manufactured Housing
Loan Product

ACTIVITY:

B. Regulatory Activity: Chattel. Loans on manufactured homes titled as personal property (12 C.F.R. § 1282.33 (c) (2)).

OBJECTIVE:

2. Establish a chattel loan pilot structure and secure approval from FHFA to purchase chattel loans (Do What We Do Best).

SUMMARY OF RESULTS:

Following are the 2019 Actions under this Objective per the December 20, 2019 Duty to Serve Plan:

<i>Objective's components detailed in the Plan</i>	<i>Corresponding actions taken</i>	<i>Explanation of any deviations from the Plan (if applicable)</i>
<input type="checkbox"/> Subject to internal and FHFA approvals in 2018, Fannie Mae will:	N/A	N/A
<input checked="" type="checkbox"/> Implement chattel pilot monitoring capabilities.	N/A	N/A
<input type="checkbox"/> Purchase outright, participate in a debt structure, or guarantee 1,000 chattel loans (UPB of approximately \$60 million).	N/A	N/A

SELF-ASSESSMENT RATING OF PROGRESS:

- Objective met
- Objective exceeded
- Objective partially completed: 75-99% (substantial amount)
- Objective partially completed: 50-74% (limited amount)
- Objective partially completed: 25-49% (minimal amount)
- Objective partially completed: 0-24% (less than a minimal amount)
- No milestones achieved

PARTIAL CREDIT JUSTIFICATION:



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N/A

IMPACT:

- 50 – Substantial Impact
- 40 – Between Meaningful and Substantial Impact
- 30 – Meaningful Impact
- 20 – Between Minimal and Meaningful Impact
- 10 – Minimal Impact
- 0 – No Impact

IMPACT EXPLANATION:

1. How and to what extent were actions under this objective impactful in addressing underserved market needs, or in laying the foundation for future impact in addressing underserved market needs?

N/A

2. What did the Enterprise learn from its work about the nature of underserved market needs and how to address them?

N/A

3. (Optional): If applicable, why were all components of this objective not completed?

Infeasible for 2019.



Fannie Mae Manufactured Housing Second Quarter Report: January 1 - June 30, 2019 Loan Product

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OBJECTIVE:

2. Establish a chattel loan pilot structure and secure approval from FHFA to purchase chattel loans (Do What We Do Best).

SUMMARY OF RESULTS:

Fannie Mae has invested substantial resources, including staff hours and expenses for vendor support, to design a proposed MH Personal Property (chattel) Pilot. As a result, the 2019 loan purchase target of 1,000 loans remains on track.

However, given that a number of factors remain in flux, there is a small possibility that this loan purchase will not be completed by the end of the year. Many of these factors are largely outside of Fannie Mae's control, including:

- Vendors, particularly the vendor providing valuation services, may be unable to complete the required services in the necessary timeframe.
- Loan seller(s) may opt not to sell loans due to concerns with terms (recourse, for example) or price.
- Loan seller(s) may be unable to originate sufficient volume in the time between confirmation of an approved pilot and end of year.

Most critically, Fannie Mae's loan purchase is subject to review and nonobjection from FHFA before it can purchase loans. This risk is being mitigated with regular communication and formal meetings, as necessary. However, the uncertainty and time commitments related to this regulatory oversight introduce potential challenges for meeting the 2019 loan purchase target.

Following are the 2019 Actions under this Objective:

- Subject to internal and FHFA approvals in 2018, Fannie Mae will:
 - Implement chattel pilot monitoring capabilities.
 - Purchase outright, participate in a debt structure, or guarantee 1,000 chattel loans (UPB of approximately \$60 million).

SELF-ASSESSMENT RATING OF PROGRESS:

- On-target to meet or exceed the objective
- Progress delayed and/or partial completion of the objective expected
- Unlikely to achieve any milestones of the objective

ADDITIONAL INFORMATION (IF APPLICABLE):