

2025 Rural Housing Outreach

ACTIVITY:

A. Support the rural housing market, as most broadly defined by the Regulation (12 C.F.R. § 1282.35 (d)).

OBJECTIVE:

1. Develop a strategy to acquire multifamily loans in rural areas using programs specifically tailored for LMI households.

SUMMARY OF RESULTS:

<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 checked="" type="checkbox"/> Socialize Sponsor-Dedicated Workforce (SDW) product with rural housing market participants in advance of potential future loan purchases.	Target met through 2025 actions; see subsequent implementation steps outlined below.	
<input checked="" type="checkbox"/> Engage with DUS® lenders to educate them on the potential benefits of the SDW product.	Fannie Mae engaged with lenders extensively on the applicability of the SDW product in rural markets. This was done through meetings with DUS Lenders, updates to the SDW webpage that highlighted rural housing affordability metrics and ways SDW can address rural market needs, and a deal spotlight on a project that utilized SDW in rural Maine.	
<input checked="" type="checkbox"/> Analyze loan purchase trends from 2024 and 2025.	Fannie Mae conducted a lender segmentation analysis to identify lenders and sponsor opportunities across the overlap of SDW deals and Rural regions to tailor questions, market feedback, and monitor specific opportunities.	
<input checked="" type="checkbox"/> Propose 2026 and 2027 loan purchase targets, if feasible. If not, consider product flexibilities which may better accommodate rural markets.	Following analysis of 2025 activity, Fannie Mae has sufficient data to propose 2026 and 2027 loan purchase targets during the appropriate upcoming modification periods.	

SELF-ASSESSMENT RATING OF PROGRESS:

- Target met
- Target exceeded
- Target partially completed



No milestones achieved

IMPACT:

- 50 – Very Large Impact
- 40
- 30 – Meaningful Impact
- 20
- 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?

In 2025, we advanced this objective by publishing new resources for multifamily lenders on fanniemae.com which highlight the efficacy of Fannie Mae Multifamily’s SDW product to enhance rural affordability, conducting in-depth lender segmentation to build awareness of rural affordability opportunities, and by leading detailed in-person discussions with four DUS Lenders on the potential for SDW product executions to support their borrowers. These efforts represented a proactive and data-driven approach and were intentionally designed to strengthen lender confidence, expand awareness, and encourage as much new engagement as possible in underserved rural geographies.

Fannie Mae’s online materials for SDW were updated to include details around affordability challenges in rural regions and the applicability of SDW, or other self-imposed affordability measures, to address financing gaps. This was the first time we explicitly highlighted the growing affordability challenges that have intensified in rural regions in the post-COVID period, challenges that differ noticeably from those seen in primary and secondary metropolitan statistical area (MSA) markets. By presenting this data alongside a clear explanation of how the SDW product could be deployed to address these pressures, we created a more complete picture of rural affordability trends and demonstrated where SDW execution could meaningfully help close persistent supply-and-demand gaps. These materials were then shared broadly, but also in more focused settings with specific lenders whose client bases and previous operations demonstrate rural financing expertise. By informing the market about the benefits of the SDW product and its applicability to rural housing markets, our 2025 outreach not only deepened industry awareness but also provided early indicators of lender readiness and revealed emerging opportunities for future SDW utilization.

In order to establish this groundwork for future liquidity, we must continue to work with DUS Lenders to develop a robust and reliable pipeline of loans. This continued engagement will build on our strengthened lender relationships, refined market segmentation, and improved data transparency established in 2025, ensuring that our future work is anchored in both lender feedback and real-time market conditions. These ongoing discussions will take place in 2026 and will be a natural extension of the lender segmentation analysis conducted in 2025.

The outreach completed under this objective in 2025 will allow us to pursue rural SDW loan purchase targets in 2026 and 2027, positioning us to translate early market education and exploratory conversations into tangible transactions that can expand affordable rental options in rural markets.

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

Fannie Mae’s analysis of future loan purchase opportunities revealed a handful of insights:

- Fannie Mae’s publication of a deal spotlight for Wenbelle Apartments in rural Maine demonstrates publicly that there is a market need for properties with an exclusive focus on rents that are affordable to residents at or below 80 percent area median income (AMI) and which can be addressed with an SDW loan. Our expectation is that other market participants can observe this successful use case and partner with Fannie Mae to uncover more SDW opportunities in the future.
- While the overall number of SDW loans purchased fell between 2024 and 2025, there was a meaningful increase in rural SDW activity in the same time period. This suggests that outreach and education efforts have been meaningful and affirms that there is sufficient DUS Lender appetite to set loan purchase targets as soon as 2026.



- Lender outreach resulted in specific recommendations to further promote SDW in rural regions. These recommendations require product adjustments, which Fannie Mae will evaluate for feasibility and credit risk in 2026. Growth beyond 2025 levels will likely require gathering more DUS Lender feedback and actively monitoring specific loan purchase opportunities.
- Fannie Mae will propose loan purchase targets under this Objective for both 2026 and 2027 during the appropriate modification period in 2026. The target will be determined by historical loan purchase performance, which is likely to result in targets ranging between 3 and 5 loans per year.

3. Optional: If applicable, why was the Enterprise unable to achieve the Plan target?

N/A