



FEDERAL HOUSING FINANCE AGENCY
Office of the Director

December 18, 2017

Mr. Timothy J. Mayopoulos
President and Chief Executive Officer
Federal National Mortgage Association
3900 Wisconsin Avenue, NW
Washington, DC 20016-2892

Re: Final Determination of Fannie Mae's 2016 Housing Goals Performance

Dear Mr. Mayopoulos:

Thank you for the November 10, 2017 response to the Federal Housing Finance Agency's (FHFA) preliminary determinations of Fannie Mae's performance on the housing goals for 2016.

FHFA has completed its review of Fannie Mae's performance under the Enterprise housing goals for 2016 pursuant to 12 USC, Section 4566. FHFA has determined that for 2016, Fannie Mae achieved the single-family low-income home purchase goal, the single-family low-income areas home purchase goal, and the single-family low-income areas home purchase subgoal. FHFA has also determined that Fannie Mae met all the multifamily housing goals for 2016.

However, FHFA has also determined that Fannie Mae failed to meet the single-family very low-income home purchase goal and the single-family low-income refinance goal. FHFA has further determined that achievement of these 2016 goals by Fannie Mae was feasible. In making these determinations, FHFA analyzed the size and composition of the conventional conforming primary mortgage market, as measured using the Home Mortgage Disclosure Act (HMDA) data for 2016.

Although FHFA has determined that achieving the single-family very low-income home purchase goal and the low-income refinance goal by Fannie Mae was feasible for 2016, FHFA will not require Fannie Mae to submit a formal housing plan under 12 USC, Section 4566 with respect to these goals. 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 closely monitor and evaluate Fannie Mae's housing goals performance in 2017 and 2018.

As specified in 12 CFR, Section 1282.12, each single-family housing goal includes both a benchmark level and a market level determined by FHFA based on its analysis of HMDA data for 2016. 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 2016 are set forth below:

Single-Family Housing Goals	Benchmark Target – 2016	Market Level – 2016	FHFA Final Determination of Fannie Mae's 2016 Performance
Low-Income Home Purchase Goal	24%	22.9%	22.9%
Very Low-Income Home Purchase Goal	6%	5.4%	5.2%*
Low-Income Areas Home Purchase Goal	17%	19.7%	20.2%
Low-Income Areas Home Purchase Subgoal	14%	15.9%	16.2%
Low-Income Refinance Goal	21%	19.8%	19.5%*

* Reflects goal not met.

For each housing goal, the percentage shown above reflects the proportion of mortgages that met the criteria for that goal. 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 and Home Affordable Modification Program (HAMP) loan modifications, where applicable.

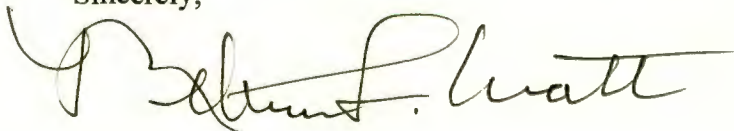
Unlike the single-family housing goals, the multifamily housing goals are based solely on benchmark levels established in advance by FHFA pursuant to 12 CFR, Section 1282.13. FHFA's final determinations of Fannie Mae's official performance on the multifamily housing goals for 2016 are set forth below:

Multifamily Housing Goals	Benchmark Target – 2016	FHFA Final Determination of Fannie Mae's 2016 Performance
Low-Income Multifamily Goal	300,000	352,368
Very Low-Income Multifamily Subgoal	60,000	65,910
Small Multifamily (5-50 unit) Low-Income Subgoal	8,000	9,312

Based on this information, FHFA has determined that Fannie Mae achieved each of the multifamily housing goals for 2016.

If you have any questions, please contact Ted Wartell, Manager, Office of Housing & Community Investment, Division of Housing Mission & Goals, at Ted.Wartell@fhfa.gov or 202-649-3157.

Sincerely,



Melvin L. Watt