FEDERAL HOUSING FINANCE AGENCY

FHFA

2021 REPORT TO

CONGRESS


FEDERAL HOUSING FINANCE AGENCY
FHFA

FEDERAL HOUSING FINANCE AGENCY

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June 15, 2022

Honorable Sherrod Brown
Chairman
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Honorable Patrick J. Toomey
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Honorable Patrick McHenry
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Dear Chairs and Ranking Members:

I am pleased to transmit the Federal Housing Finance Agency's (FHFA's) 2021 Report to Congress (Report). This Report meets the requirement of the Federal Housing Enterprises Financial Safety and Soundness Act of 1992 (Safety and Soundness Act), as amended by the Housing and Economic Recovery Act of 2008 (HERA), that FHFA submit an annual report to Congress describing the actions undertaken by FHFA to carry out its statutory responsibilities, including a description of the financial safety and soundness of the entities it regulates. The Report also meets FHFA's obligation under Section 1305 of the Dodd-Frank Wall Street Reform and Consumer Protection Act to report to Congress on the Agency's plans to "continue to support and maintain the nation's vital housing industry, while at the same time guaranteeing that the American taxpayer will not suffer unnecessary losses."

During 2021, FHFA continued to serve as regulator and conservator of Fannie Mae and Freddie Mac (the Enterprises) and as regulator of the 11 Federal Home Loan Banks (FHLBanks) and the FHLBanks' joint Office of Finance. The enclosed Report summarizes the findings of the Agency's 2021 examinations of these entities as well as FHFA's actions as conservator of Fannie Mae and Freddie Mac during 2021. The Report also describes FHFA's regulatory activities, research, and publications issued during the year. As required by HERA, this Report also includes the Federal Housing Finance Oversight Board's assessment of the factors listed in Section 1103 of that Act.

FHFA plays a vital role in supporting equitable and sustainable access to mortgage credit nationwide, promoting the housing finance system's stability and liquidity, and protecting the safety and soundness of the housing finance system through our supervision of Fannie Mae, Freddie Mac, and the Federal Home Loan Bank System (together, "the regulated entities").

With the COVID-19 pandemic entering a second year in 2021, FHFA continued to take decisive action to support the market and provide relief to renters and borrowers with a mortgage backed by the Enterprises.

I am proud to report on FHFA's progress and achievements over the course of 2021.

As a seasoned financial regulator with direct experience in a number of banking crises, I believe that safety and soundness and sustainable access to credit work together to strengthen the mutual interests of financial institutions, families, and the economy. Indeed, sustainable access to credit requires sustainable lending standards. FHFA is committed to ensuring the regulated entities fulfill their mission by operating in a safe and sound manner to serve as a reliable source of liquidity for equitable and sustainable housing finance and community investment.

FHFA is strengthening core statutory mission programs such as Duty to Serve and the housing goals for the Enterprises, and the Affordable Housing Program (AHP) and community development programs of the FHLBanks. FHFA will, for example, ensure that the FHLBanks serve each state in their districts under the AHP, and that the FHLBanks’ Community Lending Plans identify and seek to fulfill the needs of communities throughout the district, including tribal communities. These programs, like all regulated entity activities, must support access to credit that is sustainable and affordable, especially when reaching underserved populations like low- and moderate-income families, communities of color, and residents of rural areas.

In September 2021, FHFA announced the Enterprises would develop Equitable Housing Finance Plans to identify and address barriers to sustainable housing opportunities and to advance equity in housing finance. The Enterprises will update these Plans annually, and FHFA will require the Enterprises to submit annual progress reports on the actions undertaken during the prior year to implement their Plans.

FHFA has also strengthened its fair lending oversight capabilities. With a historic Memorandum of Understanding now in place between FHFA and the Department of Housing and Urban Development, our Agency will conduct targeted examinations for fair lending compliance in close coordination with other federal regulators.

While the Agency’s ability to affect the supply of affordable housing for low- and moderate-income households is limited, FHFA is responding to shortages in the overall housing supply by ensuring our regulated entities finance the existing affordable housing stock, enable homes in disrepair to be rehabilitated, and support the growth of our nation’s housing supply. For example, FHFA significantly increased Fannie Mae and Freddie Mac’s Low-Income Housing Tax Credit equity investment caps, an important source of funding for new affordable housing. Within the $850 million annual funding cap for each Enterprise, any investments above $425 million annually are required to be in areas that have been identified by FHFA as markets that have difficulty attracting investors. This requirement increases Enterprise investments under the cap targeted toward transactions that support housing in Duty to Serve-designated rural areas, preserve affordable housing, support mixed-income housing, provide supportive housing, or meet other affordable housing objectives. To ensure a strong focus on affordable housing and traditionally underserved markets, FHFA announced in October a requirement for at least 50 percent of the Enterprises’ multifamily business to be mission-driven affordable housing in 2022. FHFA is also requiring at least 25 percent of the Enterprises’ multifamily business to be affordable to residents at or below 60 percent of area median income (AMI), up from 20 percent in 2021. In addition, the Agency is working with the regulated entities to ensure liquidity is available to support innovative products that respond to the supply shortage, such as accessory dwelling units.

Recognizing the benefits of innovation, FHFA has instructed the Enterprises to leverage technology and data to further promote efficiency and cost savings in the mortgage process. Building on lessons learned from temporary COVID flexibilities, the Enterprises added desktop appraisal flexibilities for certain low-risk loans to their seller/servicer guides. Additionally, each Enterprise has announced programs and partnerships to help prepare renters for homeownership through positive rental payment history reporting.

The regulated entities must be able to fulfill their mission responsibilities throughout the economic cycle and serve as a source of strength for housing finance markets in times of stress. FHFA promotes safe and sound operations at the regulated entities through the Agency’s supervisory program. FHFA conducts supervision using a risk-based approach to identify existing and emerging risks to the regulated entities, to evaluate overall effectiveness of each regulated entity’s risk management systems and controls, and to assess compliance with applicable laws and regulations.

The Enterprises continue to manage their credit, market, liquidity, and operational risks. Credit risk management remains a priority for both Enterprises given the effects of the COVID-19 pandemic on borrowers, partially mitigated by many borrowers successfully exiting forbearance programs. Exposure to nonbank mortgage companies increased in 2021, owing to their increased originations and servicing volumes. Related Enterprise risk management practices continue to address the heightened exposure. Market risk exposures are low because of shrinking retained portfolios and effective funding and hedging strategies for the single-family and multifamily business lines. Both Enterprises exceed FHFA guidance and expectations for liquidity by maintaining a large volume of high-quality liquid assets. While both Enterprises employ information security programs, operational risks remain elevated given increased exposure to cybersecurity threats.

FHFA is continuing to take steps to strengthen the capital positions of the Enterprises so that they can fulfill their responsibilities throughout the economic cycle. Following the publication of a proposed rule in 2021, FHFA finalized important enhancements to the Enterprise Regulatory Capital Framework in February 2022. These enhancements provide the Enterprises with the necessary incentives to transfer credit risk to private investors, which will help protect taxpayers from the risks posed by the Enterprises. Furthermore, in the Spring of 2022, FHFA finalized additional capital planning requirements to ensure the Enterprises properly assess their risks and maintain the appropriate level of capital, and disclosure requirements to provide market participants with more information to assess an Enterprise's risks and capital adequacy.

In 2021, FHFA instructed the Enterprises to begin updating their pricing frameworks to increase support for core mission borrowers while fostering capital accumulation, achieving viable returns, and ensuring a level playing field for small and large sellers. Following a historic rise in the statutory Conforming Loan Limit values as a result of historic house price appreciation, FHFA approved targeted pricing increases on certain high balance and second home loans in early 2022 as an incremental step in updating the pricing frameworks.

FHFA is also ensuring that our regulated entities identify and manage emerging climate-related risks. The Agency has long worked with the Enterprises to develop effective disaster response loss mitigation toolkits to support borrowers and renters affected by natural disasters, such as hurricanes, floods, and wildfires. FHFA leveraged this experience to support the Financial Stability Oversight Council's 2021 climate risk review, while requiring the Enterprises to prioritize climate risks in their governance and decision-making.

Lastly, the Legislative Recommendations section of this report outlines three potential risk areas requiring Congressional intervention – FHFA's lack of authority to examine services provided to its regulated entities, shortcomings in the Enterprises' statutory capital definitions, and the ongoing need to undertake the important work of housing finance reform.

FHFA's accomplishments over the course of 2021, as described in this Report, stand as a tribute to the dedication of FHFA's hard working employees. Going forward, the Agency will continue to ensure its regulated entities fulfill their mission responsibilities while securing their safety and soundness.

SANDRA L. THOMPSON
Director, Federal Housing Finance Agency

LIST OF COMMON ABBREVIATIONS AND ACRONYMS

AMA – Acquired Member Assets

AMI – Area Median Income

BANK ACT – Federal Home Loan Bank Act of 1932

CDFI – Community Development Financial Institution

CRT – Credit Risk Transfer

CSP – Common Securitization Platform

CSS – Common Securitization Solutions, LLC

D&I – Diversity and Inclusion

DODD-FRANK ACT – Dodd-Frank Wall Street Reform and Consumer Protection Act of 2010

DTS – Duty to Serve

EEO – Equal Employment Opportunity

ENTERPRISES – Fannie Mae and Freddie Mac

FANNIE MAE – Federal National Mortgage Association

FHLBANK(S) – Federal Home Loan Bank(s)

FREDDIE MAC – Federal Home Loan Mortgage Corporation

GAAP – Generally Accepted Accounting Principles

GINNIE MAE – Government National Mortgage Association

HERA – Housing and Economic Recovery Act of 2008

HPI – House Price Index

LIBOR – London Interbank Offered Rate

MBS – Mortgage-Backed Securities

OF – Office of Finance

PSPA – Senior Preferred Stock Purchase Agreement

REGULATED ENTITIES – Fannie Mae, Freddie Mac, and the FHLBanks

SAFETY AND SOUNDNESS ACT – Federal Housing Enterprises Financial Safety and Soundness Act of 1992

SOFR – Secured Overnight Financing Rate

TPRM – Third-Party Risk Management

UMBS – Uniform Mortgage-Backed Security

UPB – Unpaid Principal Balance

URLA – Uniform Residential Loan Application

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SUPERVISION AND OVERSIGHT

In This Chapter

The Federal Housing Finance Agency (FHFA) was established by the Housing and Economic Recovery Act of 2008 (HERA) and is responsible for the effective supervision, regulation, and housing mission oversight of the Federal National Mortgage Association (Fannie Mae), the Federal Home Loan Mortgage Corporation (Freddie Mac), and the Federal Home Loan Bank System, which includes the 11 Federal Home Loan Banks (FHLBanks) and the Office of Finance (OF). The Agency's mission is to ensure that Fannie Mae and Freddie Mac (the Enterprises) and the FHLBanks (together, "the regulated entities") fulfill their mission by operating in a safe and sound manner to serve as a reliable source of liquidity and funding for housing finance and community investment. Since 2008, FHFA has also served as conservator of Fannie Mae and Freddie Mac.

Examination Authority for Regulated Entities

Section 1317(a) of the Federal Housing Enterprises Financial Safety and Soundness Act of 1992 (Safety and Soundness Act), as amended, 12 U.S.C. § 4517(a), requires FHFA to conduct annual on-site examinations of the Enterprises and the FHLBanks. Examination of the FHLBanks is also performed pursuant to section 20 of the Federal Home Loan Bank Act (Bank Act), as amended, 12 U.S.C. § 1440. The FHLBank System includes the 11 FHLBanks and the OF, a joint office of the FHLBanks.

For each regulated entity, FHFA prepares an annual report of examination, which identifies weaknesses and assigns examination ratings. FHFA communicates deficiencies and violations at regulated entities as adverse findings. The 2021 reports of examination were delivered to the directors and management of the Enterprises in March and to the FHLBanks periodically throughout the year based on FHFA's examination schedule.

Scope of Examination

FHFA conducts supervision using a risk-based approach to identify existing and emerging risks to the regulated entities, to evaluate the overall effectiveness of each regulated entity's risk management systems and controls, and to assess compliance with laws and regulations applicable to the regulated entity. In 2021,[1] FHFA's examination activities included targeted risk-based examinations and ongoing monitoring, including assessing the remediation of previously issued Matters Requiring Attention (MRAs). FHFA also assessed the responses of the regulated entities' boards of directors and management to deficiencies and weaknesses identified by the regulated entities' internal audit departments and external auditors.

Rating System

Pursuant to FHFA's Advisory Bulletin AB 2012-03, *FHFA Examination Rating System* (AB 2012-03), FHFA applies the "CAMELSO" rating system to report its supervisory views. The CAMELSO framework includes ratings for:

1. the overall condition of the regulated entity (the composite rating), and
2. seven individual component ratings for financial condition and risk management: **C**apital; **A**sset quality; **M**anagement; **E**arnings; **L**iquidity; **S**ensitivity to market risk; and **O**perational risk.

Supervision of Fannie Mae and Freddie Mac

FHFA's Division of Enterprise Regulation (DER) is responsible for carrying out examinations and ongoing supervision of the Enterprises. In 2021, FHFA performed examination activities in the areas of credit, market, model, and operational risk, as well as governance, compliance, accounting, auditing, and financial disclosure. Enterprise examinations included assessment of the safety and soundness of each Enterprise (*e.g.*, financial performance, condition, and overall risk management practices), as well as compliance with regulations.

Examination activity at each Enterprise is led by an Examiner-in-Charge and is carried out by an

[1] Unless otherwise specified, all dates in this report refer to 2021.

examination team with support from subject-matter experts. Following completion of examination activity, DER communicates any adverse findings in writing to the Enterprise and obtains a commitment, including a corrective action plan, from the Enterprise to remediate the findings. Following execution of the remediation plan, the Enterprise's internal audit function or an independent third party validates the completion of remediation, and DER reviews corrective action through examination activities.

FHFA issues a report of examination that identifies supervisory concerns and contains examination ratings reflecting FHFA's view of the regulated entity's financial safety and soundness and risk management practices. The annual Report of Examination is signed by the Examiner-in-Charge and issued to the Enterprise's board of directors.

Supervision of the Federal Home Loan Banks

FHFA's Division of Federal Home Loan Bank Regulation (DBR) oversees the Federal Home Loan Bank (FHLBank) System. DBR's objective is to ensure that each FHLBank and the Office of Finance (OF) operates in a safe and sound manner and achieves its housing finance and community investment mission.

DBR performs annual examinations of each FHLBank and OF and conducts ongoing supervision throughout the year. An Examiner-in-Charge and a team of examiners, supported by financial analysts, economists, accountants, and attorneys, conduct the annual examination of each FHLBank. Outside of the annual examination period, FHFA examiners periodically meet with FHLBank staff to follow up on examination findings and to discuss emerging issues.

Reports of Annual Examinations of Fannie Mae and Freddie Mac

Financial Overview of the Enterprises

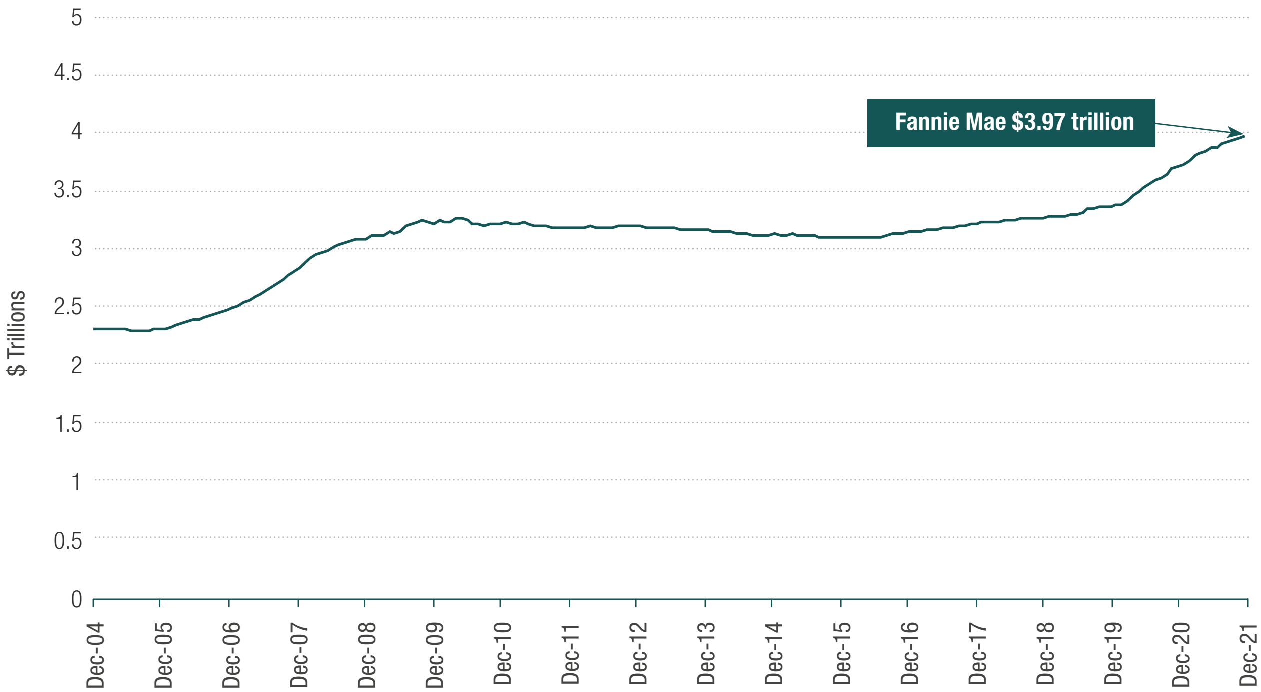
In 2021, Fannie Mae reported annual net income of $22.2 billion and comprehensive income of $22.1 billion, up from $11.8 billion and $11.8 billion, respectively. Fannie Mae reported high net income primarily because of elevated guarantee mortgage portfolio growth, higher guarantee fees, and an elevated level of amortization income from higher refinance volume. In addition, Fannie Mae's earnings increased owing to a $5.1 billion in benefit for credit losses compared to provision of $0.7 billion a year earlier, as COVID-19 pandemic economic conditions improved during the year.

Freddie Mac reported annual net income of $12.1 billion and annual comprehensive income of $11.6 billion in 2021, compared to $7.3 billion and $7.5 billion, respectively, in 2020. The improvement was due to higher net interest income as a result of elevated mortgage portfolio growth, higher guarantee fees, and an increase in amortization income from higher refinance volume. In addition, Freddie Mac's earnings increased $1.04 billion from the release of credit reserves, owing to improved economic conditions in 2021. This compares to $1.45 billion increases in credit reserves in 2020, owing to early projections of losses from COVID-19 pandemic economic conditions.

Fannie Mae's total assets increased 6 percent in 2021, slower than the 14 percent growth one year earlier, primarily as guarantee portfolio growth slightly slowed and the retained portfolio shrunk further. In 2021, Fannie Mae's total mortgage portfolio was $3.97 trillion, approximately a 7 percent increase from one year earlier as new acquisition volumes, though lower than a year earlier, outpaced prepayments and other liquidations of the existing portfolio. Single-family (SF) mortgages represented approximately 89 percent of the total guarantee book. In 2021, even though the total SF portfolio grew, Fannie Mae SF new acquisition volume decreased 0.3 percent to $1.355 trillion with new originations slightly outpacing paydowns. Similarly, Fannie Mae's multifamily (MF) guarantee portfolio grew 7 percent while its new acquisition volume dropped to $69.5 billion, a 9 percent decrease year-over-year.

Additional information on the growth in the Fannie Mae total mortgage portfolio is shown in Figure 1 below, which includes mortgages, mortgage-related securities held as investments, and mortgages pooled into MBS.

Figure 1: Fannie Mae Mortgage Portfolio (2004-2021)

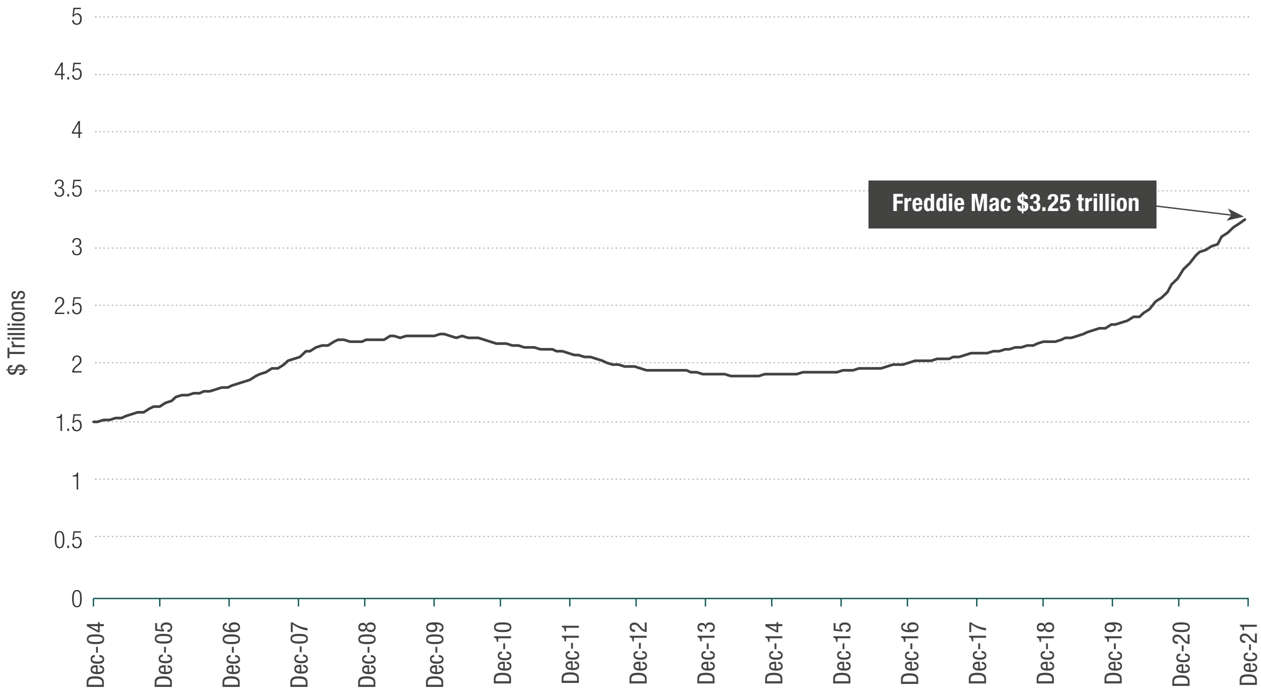


Note: The Total Mortgage Portfolio will not tie to the disclosures in Forms 10-K and 10-Q as it presents security balances, while the Forms 10-K and 10-Q present the loan balances underlying those securities.

Freddie Mac's total assets increased 15 percent in 2021, slower than 20 percent growth one year earlier because of slightly slower growth of the guarantee portfolio and a lower balance in the retained portfolio. In 2021, Freddie Mac's total mortgage portfolio increased 18 percent because of high SF acquisition volume as a result of continued record low interest rates during 2021, of which approximately 65 percent were refinance activity. Refinance volume, while high, constituted a lower proportion of total acquisitions during the year as interest rates began to slowly move upward towards the end of 2021. SF mortgages represented approximately 87 percent of the total guarantee book. In 2021, Freddie Mac new SF acquisition volume was $1.220 trillion or a 12 percent increase year-over-year. New MF business volume was $70.0 billion in 2021. The MF guaranty book of business grew by 7 percent in 2021 to $415 billion.

Additional information on the changes in Freddie Mac's total mortgage portfolio is shown in Figure 2, which includes mortgages, mortgage-related securities held as investments, and mortgages pooled into MBS.

Figure 2: Freddie Mac Mortgage Portfolio (2004-2021)



Note: The Total Mortgage Portfolio will not tie to the disclosures in Forms 10-K and 10-Q as it presents security balances, while the Forms 10-K and 10-Q present the loan balances underlying those securities.

CSS Overview

Common Securitization Solutions, LLC (CSS), jointly and equally owned by the Enterprises, uses the Common Securitization Platform (CSP) to administer the Enterprises' portfolios of mortgage-backed securities (MBS) and for the issuance of the Uniform Mortgage-Backed Security (UMBS). Operating the CSP involves storing, processing, and transmitting large volumes of data, as CSS acts as an agent for the Enterprises to facilitate issuance of SF MBS and related disclosures, as well as to administer the securities post-issuance. Specifically, CSS records securities with registrars (e.g., Federal Reserve Bank of New York), supports and facilitates security settlement activities, validates settlements, and provides confirmation back to the requestor.

CSS administers a $6.0 trillion bond portfolio of SF mortgages and is currently the largest issuing agent and administrator of MBS, holding approximately 75 percent of total market share. In 2021, CSS administered approximately $400 billion of UMBS issued by the Enterprises monthly and processed payments related to over 30 million mortgages in MBS.

FHFA conducts the same examination process for CSS as it conducts for the Enterprises. FHFA issues a Report of Examination that assigns examination ratings and communicates the principal examination conclusions and findings for the supervisory cycle. The composite rating of CSS is based primarily on an evaluation of two components: Management and Operational risk.

Overview of Annual Examination Results

The term CAMELSO refers to the seven components of the examination framework that the Federal Housing Finance Agency (FHFA) uses to report its examination findings to its regulated entities. Those components are **C**apital, **A**sset quality, **M**anagement, **E**arnings, **L**iquidity, **S**ensitivity to market risk, and **O**perational risk.

Capital

Pursuant to the Amended PSPAs, the Enterprises are able to retain all earnings. While this has improved the loss absorption capacity, reducing the risk of a Treasury draw, Treasury's liquidation preference has increased in concert with the growth in net worth of both Enterprises.

Asset Quality

When reviewing asset quality, FHFA examiners evaluate the quantity of existing and potential credit risk associated with loan and investment portfolios, as well as management's ability to identify, measure, monitor, and control credit risk. In 2021, the Enterprises generally exhibited favorable trends in credit risk associated with loan and investment portfolios and management's ability to identify, measure, monitor, and control credit risk. Both Enterprises had positive trends in the levels of adversely classified assets, serious delinquencies, and real estate owned (REO) properties.

Each Enterprise's acquisition volumes remained strong for 2021 for the SF and MF loan portfolios. SF credit risk metrics have improved since the prior year as serious delinquency rates decreased. Within the SF business, the diminishing effects of COVID-19, significant portfolio turnover, successful modification programs, and the CRT program all led to notable reduction in overall credit risk.

The Enterprises' overall counterparty exposure declined because of an improving housing market and ongoing reduction in counterparty credit risk generating activities. Continued focus remains on nonbank mortgage company seller/servicers who have continued gaining market share and account for the majority of acquisitions and servicing.

The Enterprises' multifamily portfolios grew in 2021, within limits set by FHFA as conservator. Risk management of multifamily credit exposures was generally satisfactory.

Management

FHFA examiners assess the effectiveness of efforts by an Enterprise to identify, measure, monitor, and control the risks of its activities, and to evaluate the safety and soundness of its operations and its compliance with applicable laws and regulations.

Fannie Mae's board and senior management have worked to effectively execute strategic objectives and address issues identified by FHFA. Model risk management continues to exhibit opportunities to strengthen, and the Enterprise's risk management program needs to further mature. In addition, other areas such as diversity and inclusion and fair lending oversight need attention.

Freddie Mac's board and senior management continue to make progress with advancing and strengthening the enterprise-wide risk management program. While progress was noted in several areas, the Enterprise continues to work on risk management opportunities to strengthen its ability to identify, monitor, and control risks associated with third-party risk management (TPRM), seller/servicer oversight, and compliance programs. In addition, other areas such as diversity and inclusion and fair lending oversight need attention.

The board of managers and senior management at CSS have satisfactory performance, oversight, and risk management practices. CSS continues to strengthen corporate governance. In addition, CSS is in compliance with relevant laws and regulations, and adheres to regulatory guidance and expectations.

Earnings, Liquidity, and Sensitivity to Market Risk

When reviewing Enterprise earnings, FHFA examiners consider the quantity, trend, sustainability, and quality of earnings (e.g., the adequacy of provisions to maintain the allowance for loan losses and other valuation allowance accounts). Review of liquidity includes assessing the current level and prospective sources of liquidity compared to funding needs, as well as the adequacy of funds management practices relative to the Enterprise's size, complexity, and risk profile. Examination of sensitivity to market risk includes assessing the ability of management to identify, measure, monitor, and control exposure to market risk given the Enterprise's size, complexity, and risk profile.

Fannie Mae's earnings have substantially increased. Net income totaled $22.2 billion, representing a $10.4 billion increase over the prior year driven by a shift to credit-related income coupled with increases in net interest income, as refinance transactions continued to accelerate prepayments. High levels of acquisition volume continued from 2020 primarily led by refinance transactions, and 2021 experienced the highest purchase money mortgage acquisitions on record. The driving factors were primarily the low interest rate environment and home price appreciation, with expectations of moderation going forward that will likely affect future earnings. Furthermore, the $5.1 billion benefit for credit losses attained in 2021 is unlikely to continue given these factors.

Fannie Mae continues to maintain a conservative liquidity position with reliable sources of funding to meet current and anticipated liquidity needs. Market risk metrics are within board-approved limits showing reductions in market value sensitivity since the prior year. Fannie Mae has continued transitioning away from the use of the London Interbank Offered Rate (LIBOR).

Freddie Mac's earnings have substantially increased. Comprehensive income of $11.6 billion in 2021 was up significantly from the $7.5 billion reported in 2020. Robust refinance activities, strong MF gains, and the release of credit reserves in response to house price appreciation were leading factors in the increase. Reserve release related to a stronger housing market and successful resolutions of COVID-19 forbearances drove 2021 provision for credit losses to a $1.04 billion benefit, versus a $1.45 billion expense in 2020. The confluence of factors contributing to stronger earnings in 2021 are unlikely to be repeated.

Freddie Mac has reliable access to varied sources of funds, on acceptable terms, to meet current and anticipated funding needs. Freddie Mac maintained all market risk exposures within established board limits throughout the year. Freddie Mac management took actions to further reduce sensitivity to market risk from the prior year. Freddie Mac continued to focus on measuring and managing the changing mix of exposures and transitioning away from the use of the LIBOR.

Operational Risk

When assessing operational risk management, FHFA examiners consider exposures to loss from inadequate or failed internal processes, staffing, and systems, including internal controls and information technology.

Fannie Mae has remediated control deficiencies in certain information technology environments, and has responded to security incidents; however, further opportunities exist to mitigate potential risk to earnings or reputation. The Enterprise has exposures to information security risk, exhibiting opportunities to strengthen governance and controls in attendant risk management. The Enterprise continues to address business resiliency and related dependence matters on key third parties.

Freddie Mac has made progress in reducing operational risk. Freddie Mac continues to work on matters related to information security, business resiliency, data management, model risk, and issue management. While Freddie Mac's TPRM program has made progress throughout the year, work remains to implement a stronger enterprise-wide program and ensure a comprehensive aggregate risk view.

CSS continued improving operational efficiency to reduce reliance on manual controls. The board of managers receives appropriate transparent information on operational risk. Oversight and execution of business processes, information technology, information security, business resiliency, and third-party relationships are consistent with supervisory expectations.

Core Mission of the Federal Home Loan Banks

In 2021, FHFA continued its supervision and oversight to ensure that the FHLBanks remain focused on their mission, which is to provide to their members and housing associates financial products and services, including but not limited to advances, that assist and enhance such members' and housing associates' financing of housing serving consumers at all income levels and community lending. Historically, short- and long-term advances (loans) to members and housing associates have been the principal mission asset of the FHLBanks, primarily collateralized by residential mortgage loans, commercial real estate loans, and government and agency securities. FHFA's Core Mission Activities regulation establishes the FHLBank activities that qualify as core mission activities, including mortgage loans that are eligible as Acquired Member Assets (AMA).[2]

To ensure that the FHLBanks operate in a manner consistent with their housing finance mission, FHFA requires each FHLBank's board of directors to adopt, maintain, and periodically review a strategic business plan that describes "how the significant business activities of the regulated entity will achieve its mission and public purposes."[3] FHFA provides the FHLBanks with guidance in developing its strategic plans with respect to core mission, including a description of the measure FHFA uses to assesses the FHLBanks' core mission achievement.[4] FHFA measures each FHLBank's core mission achievement by calculating the ratio of its primary mission assets (advances plus AMA) to its outstanding consolidated obligations less U.S. Treasury obligations that qualify as "high quality liquid assets."[5]

FHFA calculates each FHLBank's core mission ratio using annual average par values, as reported by the FHLBanks. FHFA assesses each FHLBank's core mission achievement annually and prefers for the FHLBanks' calculated ratios to exceed 70 percent. FHFA expects any FHLBank with a ratio markedly below 70 percent to include in its business plan a thorough strategy for increasing its mission focus.

As of December 31, 2021, the FHLBank System as well as five individual FHLBanks had a core mission achievement ratio that exceeded 70 percent, four fewer FHLBanks than 2020. The remaining six FHLBanks had ratios below 70 percent, four more than in either 2019 or 2020. Generally, smaller advance and mortgage portfolios drove core mission achievement ratios lower at 10 FHLBanks from 2020 to 2021.

FHLBank System Overview

Financial Condition

FHLBank total assets were $723.4 billion on December 31, 2021, down from $820.9 billion at year-end 2020. The FHLBanks reported 2021 aggregate net income of $1.8 billion, down $997 million from 2020. The FHLBanks remain well capitalized and hold the highest retained earnings balance in their history.

Aggregate asset levels decreased substantially in 2021, driven by several asset classes. Advances decreased $71.4 billion, or 16.9 percent, year-over-year, as advance demand continued to drop precipitously with the Federal Reserve's expansionary policy in reaction to the COVID-19 pandemic. Cash and investments decreased $19.0 billion, or 5.7 percent, as the FHLBanks reduced investments and liquidity. Mortgage loans decreased $7.4 billion, or 11.7 percent, as yields on these investments became less attractive since the start of the COVID-19 pandemic. At year-end, the FHLBanks held 48.6 percent of total assets as advances, 43.1 percent as cash and investments, and 7.7 percent as mortgage loans.

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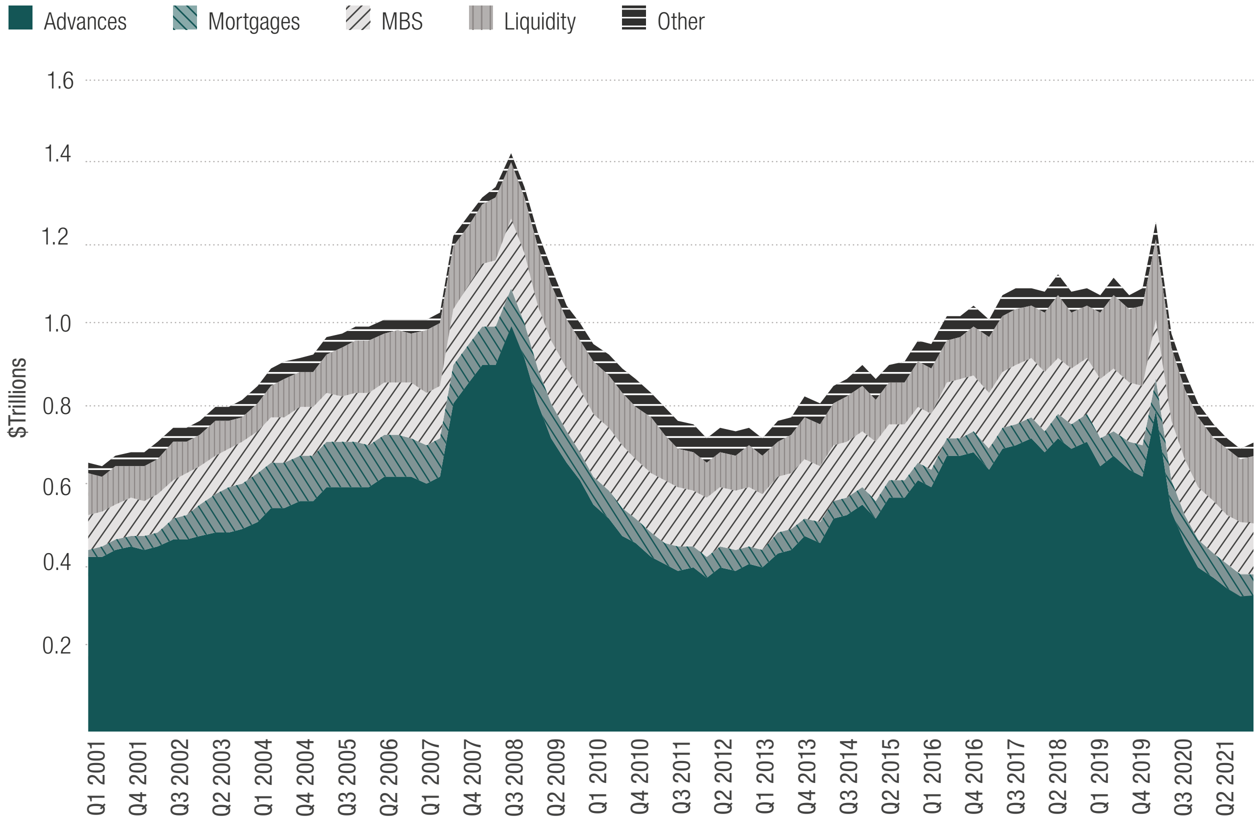
2 **12 CFR Part 1265**.

3 **12 CFR § 1239.14**.

4 *See* **FHLBank Core Mission Achievement, Advisory Bulletin** AB 2015-05 (July 14, 2015) and **FHLBank Liquidity Guidance**, **Advisory Bulletin** AB 2018-07 (August 23, 2018).

5 *Ibid.*

Figure 3: Historical Portfolio of the FHLBank System



Advances are primarily collateralized by residential mortgage loans, commercial real estate loans, and government and agency securities. Community Financial Institutions may pledge small business, small farm, and small agri-business loans as collateral for advances.[6]

In response to the onset of the COVID-19 pandemic, advances increased substantially to $806.9 billion during the first quarter of 2020. Later, as the Federal Reserve pursued expansionary monetary policy and member liquidity increased, advances declined $455.7 billion from the 2020 peak, with $71.4 billion of the decrease occurring in 2021.

Nine FHLBanks reported decreases in advances in 2021, with only the FHLBanks of Topeka and Chicago reporting small increases of $2.3 billion and $1.4 billion, respectively. The 2021 decrease marked the fourth consecutive year with lower year-end balances following six years of growth that ended in 2017.

The FHLBanks operate both on-balance sheet and off-balance sheet programs through which members can sell mortgage loans. The FHLBanks' AMA programs allow them to acquire and hold (on their balance sheet) conforming loans and loans guaranteed or insured by a department or agency of the U.S. government. The AMA programs are structured such that the FHLBanks manage the interest rate risk and the participating member manages a substantial portion of the risks associated with originating the mortgage, including a significant portion of the credit risk. Through the three existing AMA programs, Mortgage Partnership Finance (MPF), Mortgage Purchase Program (MPP), and Mortgage Asset Program (MAP), FHLBanks offer various products to members with differing credit risk-sharing structures.

[6] As defined in the Bank Act, the term Community Financial Institution (CFI) means a member, the deposits of which are insured under the Federal Deposit Insurance Act, that has average total assets over the last three years at or below an established threshold. For calendar year 2021, the CFI asset threshold was $1.239 billion. The threshold for 2022 is $1.323 billion. FHLBank members that are CFIs may pledge small business loans, small farm loans, small agri-business loans, and community development loans, all of which may be fully secured by collateral other than real estate, and securities representing a whole interest in such loans.

The FHLBanks held $55.6 billion of mortgage loans on their balance sheets at December 31, 2021, down from $62.9 billion at year-end 2020. This change resulted from mortgage purchases of $14.2 billion and mortgage principal payments of $21.0 billion.[7]

Under the off-balance sheet programs in operation through 2021, members of FHLBanks sell mortgages to the FHLBank of Chicago, which either concurrently sells the loan to Fannie Mae (MPF Xtra) or pools the loans into securities guaranteed by the Government National Mortgage Association (MPF Government Mortgage-Backed Securities (MBS)). FHLBank members delivered $6.6 billion of mortgage loans under MPF Xtra through the FHLBanks to Fannie Mae. Members also delivered $408 million of mortgage loans to the FHLBank of Chicago to securitize through the MPF Government MBS program.

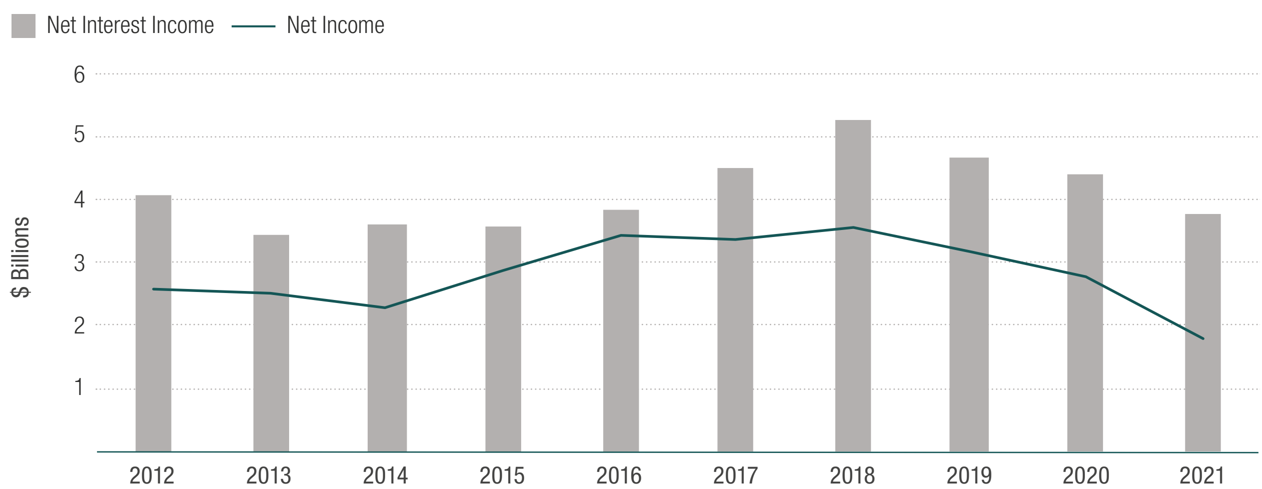
The aggregate investment portfolio of the FHLBanks consisted of 52.0 percent cash and liquidity, 38.7 percent MBS, and 9.2 percent other investments (principally agency debt securities and for the FHLBank of Chicago, federally-backed student loan asset-backed securities). The FHLBanks held $120.9 billion of MBS, primarily made up of MBS securitized by Freddie Mac and Fannie Mae. At year-end 2021, the FHLBanks held $162.4 billion of cash and liquidity investments.[8] The FHLBanks are significant participants in the federal funds market.

The FHLBanks' letters of credit had increased substantially over the past several years but decreased by $13.3 billion to $151.2 billion by the end of 2021. Letters of credit are typically used by members to secure public unit deposits. If drawn, a member may take out an advance to cover the member's obligation to repay the funds to the FHLBank; however, they are rarely drawn.

Consolidated obligations totaled $652.0 billion and consisted of $441.1 billion of bonds (67.7 percent) and $210.9 billion of discount notes (32.3 percent). Short-term funding by par value (funding with a remaining maturity of less than one year) made up 60.9 percent of consolidated obligations at year-end 2021.

Net income was $1.8 billion in 2021 and all FHLBanks were profitable. However, net income decreased $997 million year-over-year due to fewer earning assets that drove a $631 million decline in net interest income. In addition, non-interest income decreased by $626 million partially offset by non-interest expense declining $146 million year-over-year. See Figure 4.

Figure 4: Annual FHLBank Net Interest Income and Net Income



[7] Mortgage purchases include premiums and discounts. As a result, this amount will not align with the unpaid principal balance of new mortgage acquisitions.

[8] This measure includes Treasury securities.

The aggregate return on assets ratio was 0.23 percent in 2021, down from 0.27 percent in 2020. The aggregate return on equity ratio was 3.56 percent, down from 5.19 percent. While performance was down from previous years, continued profitability allowed the FHLBanks to build retained earnings in 2021. Aggregate retained earnings totaled $22.8 billion, or 3.1 percent of assets, at the end of 2021, up from $22.0 billion, or 2.7 percent of assets, the prior year. By comparison, at year-end 2008, during the housing crisis, the FHLBanks held only $3.0 billion of aggregate retained earnings, which represented just 0.2 percent of assets (Figure 5).

Figure 5: Retained Earnings of the FHLBanks

As of December 31, 2021, aggregate regulatory capital consisted of $25.5 billion capital stock, of which $0.4 billion was mandatorily redeemable capital stock (MRCS), and $22.8 billion in retained earnings.[9]

> *At year-end 2021, all FHLBanks met both the minimum regulatory capital ratio of 4.0 percent of assets and their individual risk-based capital requirements.*

Comparisons

The size and composition of FHLBank assets varies across the System. Individual FHLBanks ranged from total assets of $32.5 billion to $105.4 billion as of December 31, 2021. The ratio of advances to assets ranged from 31.5 percent to 67.9 percent. The ratio of mortgage loans to assets was 7.7 percent overall, with the FHLBank of Topeka having the highest ratio at 16.9 percent. The market value to par value of capital stock ratio was above 100 percent at each FHLBank.

[9] Banks reclassify capital stock subject to redemption from capital stock to mandatorily redeemable capital stock (a liability) generally after a member exercises a written redemption request, gives notice of intent to withdraw from membership, or attains non-member status by merger or acquisition, relocation, charter termination, or involuntary termination from membership. Additionally, when FHFA's 2016 Final Rule on FHLBank Membership declared captive insurance companies ineligible for membership at FHLBanks, all remaining captive insurance capital stock was reclassified as mandatorily redeemable capital stock.

Figure 6: FHLBank Selected Balance Sheet Items and Ratios

Balance Sheet ($ Billions)	SYS	BOS	NYK	PIT	ATL	CIN	IND	CHI	DSM	DAL	TOP	SFR
Total Assets - $	723.359	32.545	105.358	37.651	78.746	60.618	60.005	96.954	85.852	63.488	48.021	54.121
Advances - % of Assets	48.6%	37.9%	67.9%	37.5%	57.7%	38.0%	45.8%	49.6%	51.4%	38.8%	48.9%	31.5%
% of Advances with Remaining Maturity < 1 year	41.5%	41.0%	54.9%	60.7%	48.6%	50.6%	28.8%	28.5%	28.2%	31.3%	56.7%	24.5%
Mortgages - % of Assets	7.7%	9.6%	2.2%	12.4%	0.2%	12.5%	12.7%	10.2%	8.8%	5.5%	16.9%	1.8%
Cash and Investments - % of Assets	43.1%	50.9%	29.3%	49.2%	41.5%	48.8%	40.8%	39.8%	39.3%	55.4%	33.5%	66.2%
MBS Investments - % of Assets	16.7%	21.7%	13.9%	18.3%	17.3%	17.8%	18.0%	16.0%	13.5%	17.0%	12.7%	24.1%
MBS to Regulatory Capital Ratio	2.52	2.76	2.25	2.59	2.95	2.84	3.03	2.75	1.99	2.72	2.24	2.06
Liquidity - % of Assets	23.0%	26.5%	14.2%	25.7%	22.4%	27.8%	18.3%	17.9%	21.4%	30.4%	19.8%	42.1%
Consolidated Obligations (COs) - $	652.033	28.888	97.027	33.599	71.692	54.44	54.478	87.936	77.553	55.517	44.2	46.703
Discount Notes - % of COs	32.3%	7.9%	43.5%	31.2%	35.6%	54.8%	22.2%	27.9%	28.8%	19.8%	14.9%	51.4%
% of COs with Remaining Maturity < 1 year	60.9%	31.7%	63.5%	48.3%	58.6%	78.4%	48.4%	53.9%	78.9%	55.4%	64.2%	66.9%
Regulatory Capital Ratio	6.67%	7.73%	6.11%	7.03%	5.86%	6.28%	5.79%	6.87%	6.74%	5.92%	5.50%	10.89%
Retained Earnings - $	22.76	1.548	1.931	1.398	2.228	1.293	1.177	4.261	2.39	1.558	1.143	3.832
Market Value of Equity as a Percent of Capital Stock	199%	253%	147%	222%	194%	154%	154%	311%	177%	183%	184%	310%

Financial performance was not uniform across the FHLBanks in 2021, but it remained adequate. Net income ranged from $42 million to $287 million, while return on assets ratios ranged from 0.07 percent to 0.49 percent. At the aggregate level, FHLBank operating expenses made up 32.1 percent of net interest income.

Figure 7: Selected Income Statement Items and Ratios

($ in Millions)	SYS	BOS	NYK	PIT	ATL	CIN	IND	CHI	DSM	DAL	TOP	SFR
Net Income - $	1,783	70	266	86	133	42	94	275	206	164	161	287
Return on Assets	0.23%	0.19%	0.22%	0.21%	0.16%	0.07%	0.15%	0.28%	0.23%	0.27%	0.33%	0.49%
Return on Equity	3.56%	2.62%	3.89%	3.10%	2.79%	1.08%	2.64%	4.13%	3.48%	4.31%	5.88%	4.46%
Net Interest Income (NII) - $	3,776	212	546	183	281	277	252	541	381	278	297	528
Net Interest Spread	0.47%	0.57%	0.43%	0.42%	0.34%	0.41%	0.39%	0.55%	0.39%	0.45%	0.59%	0.89%
Yield on Advances	0.67%	1.33%	0.60%	0.86%	0.64%	0.62%	0.40%	0.54%	0.99%	0.41%	0.56%	0.79%
Yield on Investments	0.82%	0.80%	1.15%	0.80%	0.39%	1.13%	0.70%	0.85%	0.54%	0.68%	0.71%	1.20%
Yield of Mortgage Loans	2.47%	2.66%	2.79%	2.64%	5.38%	2.07%	2.15%	2.55%	2.65%	2.36%	2.50%	3.11%
Cost of Funds on COs	0.39%	0.67%	0.38%	0.64%	0.22%	0.66%	0.37%	0.31%	0.59%	0.19%	0.37%	0.15%
Operating Expenses to NII	32.1%	31.1%	30.6%	44.5%	41.7%	25.5%	36.0%	35.1%	34.6%	32.3%	20.4%	27.8%

Membership

At the end of 2021, the FHLBanks had a total of 6,575 members, down from 6,697 in 2020, primarily due to mergers. Membership at each FHLBank ranged from 281 to 1,280 members. The aggregate membership consisted of 3,794 commercial banks, 1,560 credit unions, 612 savings institutions, 541 insurance companies, and 68 non-depository community development financial institutions (CDFIs). Approximately 46.2 percent of FHLBank active members were borrowers. The top-10 largest borrowers of each district made up more than 70 percent of advances at the FHLBanks of New York, Pittsburgh, Atlanta, Cincinnati, and Topeka. The decrease in advances in 2021 significantly affected the composition of advances by member type. Commercial banks accounted for 34.6 percent of advances at the end of 2021, down from 42.8 percent of advances at the end of 2020. Conversely, insurance companies increased to 34.8 percent from 30.4 percent of total advances over the same time period.

Figure 8: FHLBank Membership

($ in Millions)	SYS	BOS	NYK	PIT	ATL	CIN	IND	CHI	DSM	DAL	TOP	SFR
Total Members	6,575	423	332	281	811	618	348	675	1,280	798	678	331
Commercial Banks	3,794	51	108	131	446	340	143	444	902	551	538	140
Credit Unions	1,560	159	106	62	238	142	128	101	256	126	89	153
Saving Associate	310	24	31	17	42	58	18	28	37	26	21	8
Savings Bank	302	117	36	34	16	16	7	36	10	29	0	1
Insurance Companies	541	68	43	35	56	55	48	60	69	59	26	22
Non-depository CDFIs	68	4	8	2	13	7	4	6	6	7	4	7
Ten Largest Borrowers - % of Advances		49.2%	78.0%	72.3%	71.4%	71.8%	62.8%	60.0%	57.9%	57.8%	70.9%	63.5%

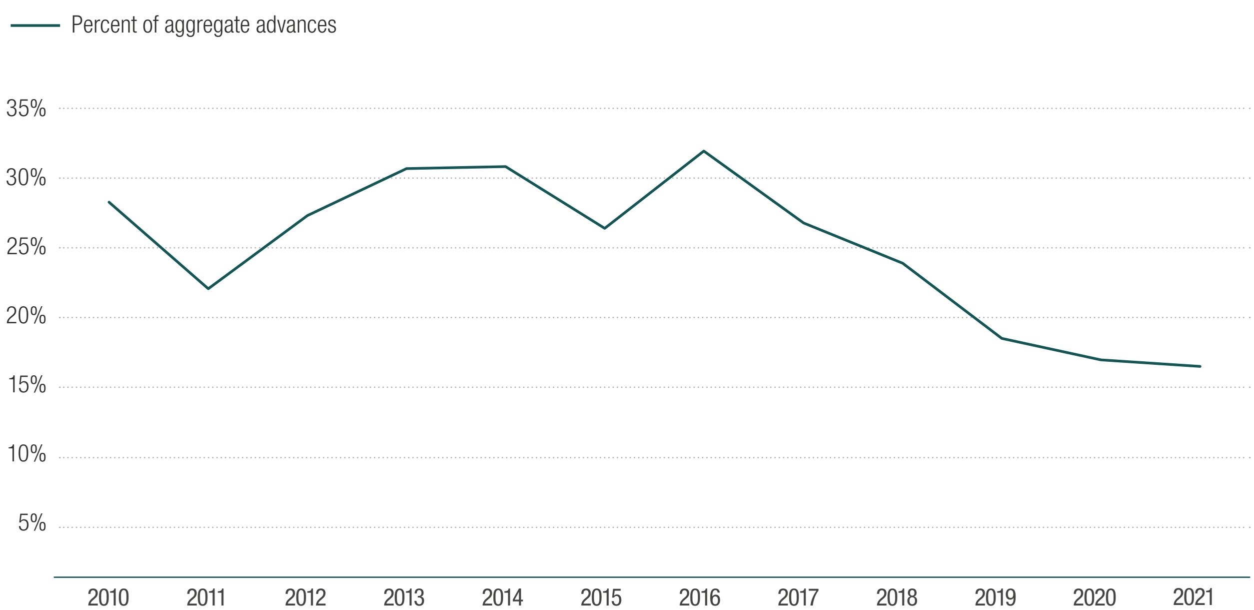
Rating Component Overview

Capital – Capital management practices were strong or satisfactory at all of the FHLBanks in 2021. The FHLBanks had generally adequate levels of capital, including retained earnings, relative to their risk profiles. However, at certain FHLBanks examiners made recommendations, including formalizing excess stock thresholds, reducing dependence and improving reporting on excess stock, implementing independent verification of retained earnings methodology, improving documentation of risk-based capital methodology, and reducing the reliance on manual processes in reporting.

Asset Quality – Asset quality was rated strong or satisfactory at all of the FHLBanks in 2021. However, examiners identified areas for improvement in risk management practices at the FHLBanks, including offering letters of credit only to eligible organizations, improving counterparty rating methodology, improving credit risk models, improving collateral verification and pricing, improving accuracy of collateral data provided to FHFA, addressing deficiencies in calculating housing finance assets, improving oversight of third parties, and addressing deficiencies in tracking credit exposure to unsecured counterparties.

In general, advances are low-risk loans, but they are subject to concentration risk. However, in 2021, the concentration of advances to subsidiaries of large bank holding companies largely remained stable. In 2020, the five largest borrowers at the holding company level (Metropolitan Life Insurance Company, Citigroup Inc., New York Community Bancorp Inc., J.P. Morgan Chase & Co., and First Republic Bank) represented $72.4 billion or 17 percent of aggregate advances. In 2021, the five largest aggregate borrowers at the holding company level (Metropolitan Life Insurance Company, New York Community Bancorp., J.P. Morgan Chase & Co., Midland Financial Co., and Bank of American Corporation) accounted for just $60.1 billion or 17.2 percent of aggregate advances, the lowest level since 2010 and the fifth straight year that advance concentration among the top five borrowers has declined. (Figure 9)

Figure 9: Top 5 Holding Companies with Advances Outstanding



The holding companies with the most advances outstanding to their subsidiaries change over time. While 2020 and 2021 saw little change overall, Midland Financial Co. became a top five borrower for the first time, though it had previously been a top ten borrower in 2020. Since 2010, Bank of America Corporation, Capital One, Citigroup Inc., Hudson City Bancorp, Santander BanCorp, JP Morgan Chase & Company, Metlife Inc., PNC Financial Services Group, Ally Financial, BB&T Corporation, New York Community Bancorp Inc., Wells Fargo & Company, First Republic Bank, and Midland Financial Group have been among the top five borrowers at the end of the year.

Management – Examination conclusions regarding management were strong or satisfactory at all the FHLBanks in 2021. However, examiners identified areas of concern at most of the FHLBanks, including membership application processing, membership eligibility determinations for insurance companies, advance prepayments, model risk oversight, standards for internal audit, interpretation of FHFA regulations/ guidance, and information security policies.

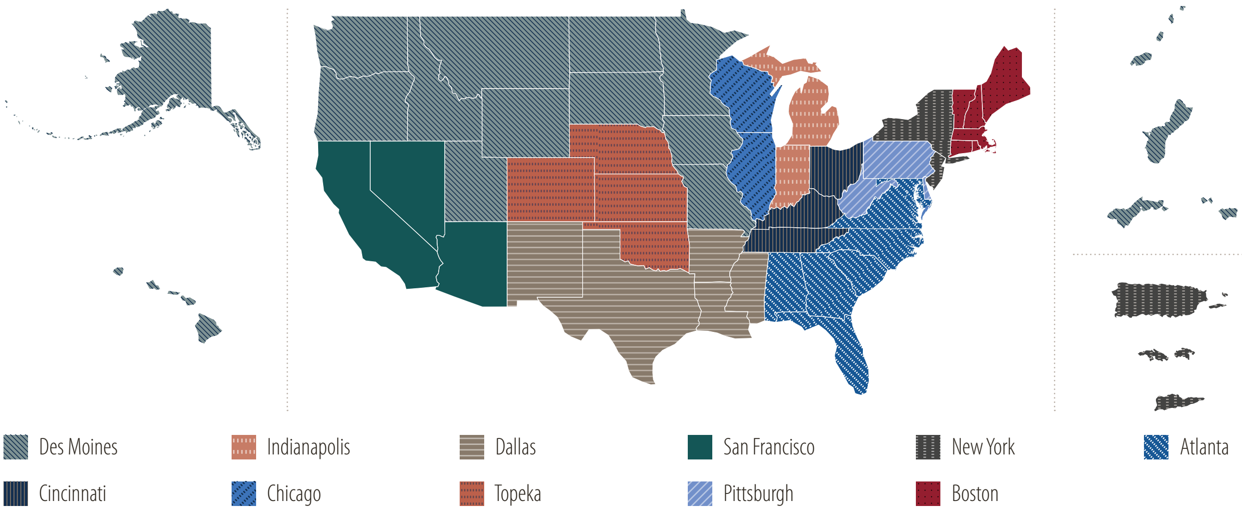
Earnings – Earnings were strong or satisfactory at all but one FHLBank. Similar to previous years, earnings and earnings quality generally continue to be satisfactory at most FHLBanks, though examiners expressed concern that some FHLBanks continued to rely on non-mission assets or non-recurring items to support their earnings. Examiners also expressed concern about the long-term level of earnings relative to increasing operating expenses at the FHLBanks.

Liquidity – Liquidity risk management was strong or satisfactory at all FHLBanks. Examiners identified isolated opportunities for the FHLBanks to strengthen their liquidity reporting and measurement systems.

Sensitivity to Market Risk – Overall, the FHLBanks had moderate levels of market risk exposure. Market risk management was well controlled or satisfactory at all but one FHLBank, and mortgage assets appeared to remain the greatest source of market risk. However, examiners identified market risk-related enhancements several FHLBanks could make to their AMA programs, board reporting, LIBOR transition strategy, prepayment modeling, and stress testing.

Operational Risk – Operational risk was generally satisfactory at all but one FHLBank. Across the System, operational risk levels remained moderately elevated because of continued remote operations, expanded telework related to the COVID-19 pandemic, and ongoing information technology initiatives at many FHLBanks. Across the FHLBanks, examiners identified areas that exhibited or could exhibit unacceptable operational risks in business resiliency, information technology, third-party management and oversight, and policy and procedure documentation. Several FHLBanks continue to evolve their information security and cyber controls to meet existing and potential risks by buttressing software security patching, hardening access, and increasing staff awareness of and training regarding increasingly sophisticated social engineering attack vectors.

Overview of Annual Examination Results



District 1: The Federal Home Loan Bank of Boston

At the time of its October 2021 examination, the overall condition and operations were satisfactory. Board and senior management oversight was satisfactory. Earnings remained adequate. Credit, market and operational risk exposures remained satisfactory. The FHLBank's liquidity and capital positions were both strong. Primary examination concerns were related to deficiencies in the FHLBank's standby letter of credit product, information technology and security, unsecured credit practices, and market risk measurement. Oversight and execution of the AHP was satisfactory.

District 2: The Federal Home Loan Bank of New York

At the time of its examination in April 2021, the overall condition and operations of the FHLBank of New York were satisfactory. Board and senior management oversight of the FHLBank remained satisfactory, member access to liquidity was consistently available, and the institution maintained strong core mission achievement despite a persistently challenging operating environment. Financial performance was satisfactory despite a declining profitability trend. Principal examination concerns centered around insurance company membership applications and monitoring, and model governance, validations, and methodologies. Oversight and execution of the AHP was satisfactory.

District 3: The Federal Home Loan Bank of Pittsburgh

At the time of its examination in April 2021, the overall condition and operations of the FHLBank of Pittsburgh were satisfactory. The FHLBank continued to have strong capital and liquidity positions as well as satisfactory earnings that were both sufficient to support operations and pay a reasonable dividend to members. Further, the FHLBank exhibited satisfactory market, credit, and operational risk oversight and maintained a conservative risk profile. Principal examination concerns related to the declining demand for FHLBank advances and the implications thereof, counterparty credit risk management practices, internal audit departmental resources, and strategic planning income simulations. Oversight and execution of the AHP was satisfactory.

District 4: The Federal Home Loan Bank of Atlanta

At the time of the examination in January 2021, the overall condition and operations of the FHLBank of Atlanta were satisfactory. The FHLBank had sound capital and liquidity positions; however, earnings needed improvement. Asset quality was strong with low credit risk. Oversight by the board of directors and management was satisfactory. Primary examination concerns related to insurance company member risk management, advance prepayment fee calculation, information technology governance, and data center proximity risk. Oversight and execution of the AHP was satisfactory.

District 5: The Federal Home Loan Bank of Cincinnati

At the time of its examination in January 2021, the overall condition and operations of the FHLBank of Cincinnati were satisfactory. Capital, liquidity, and earnings levels adequately supported operations. Oversight of operations by the board and senior management was satisfactory. Further, the FHLBank exhibited satisfactory market, credit, and operational risk management practices. Primary examination concerns related to MPP oversight of servicers, model risk management, and swaption strategies. Oversight and execution of the AHP was satisfactory.

District 6: The Federal Home Loan Bank of Indianapolis

At the time of its examination in October 2021, the overall condition and operations of the FHLBank of Indianapolis were satisfactory. The FHLBank had satisfactory liquidity and asset quality, sufficient capital and earnings, and acceptable operational risk. Sensitivity to market risk oversight improved and was satisfactory. Primary examination concerns related to prepayment risk management practices, liquidity cash flow reporting, membership eligibility standards, and AHP internal controls. Oversight and execution of the AHP was satisfactory.

District 7: The Federal Home Loan Bank of Chicago

At the time of its examination in July 2021, FHFA concluded the FHLBank's overall condition and operations were satisfactory. A strong capital position and adequate earnings supported moderate risk levels throughout Bank operations. In its role as MPF Provider, the FHLBank adequately managed the MPF program and collaborated with participating FHLBanks. Primary examination concerns related to prioritizing information security, mortgage credit modeling, participation collateral, unsecured counterparty credit limits, a needed upgrade of its trade processing system, and suspicious activity reporting. Oversight and execution of the AHP was satisfactory.

District 8: The Federal Home Loan Bank of Des Moines

At the time of its examination in September 2021, the overall condition and operations of the FHLBank of Des Moines were satisfactory. Board and management performance improved and was adequate. Operational risk management improved but the level of operational risk was elevated. The FHLBank had strong capital and liquidity. Earnings and sensitivity to market risk were adequate. Primary examination concerns related to information technology oversight, administration of an AHP set-aside program, and membership policies and procedures. Oversight and execution of the AHP was satisfactory.

District 9: The Federal Home Loan Bank of Dallas

At the time of its examination in July 2021, the overall condition and operations of the FHLBank of Dallas were satisfactory. The FHLBank's financial condition was satisfactory, evidenced by adequate capitalization, strong liquidity, satisfactory earnings, and satisfactory asset quality. Oversight by the board and senior management remained effective overall, and management of sensitivity to market risk was satisfactory. Primary examination concerns related to insurance company membership application processing, insurance company risk management, and collateral reporting and risk management. Oversight and execution of the AHP was satisfactory.

District 10: The Federal Home Loan Bank of Topeka

At the time of its examination in April 2021, the overall condition and operations of the FHLBank of Topeka were satisfactory. The FHLBank had sufficient capital, earnings, and liquidity to support operations, pay market-rate dividends, and meet advance demand. Oversight of operations by the board and senior management was adequate. Sensitivity to market risk and operational risk were moderate, and credit risk was low. Primary examination concerns related to market value measurement and model benchmarking, market risk measurement production and challenge, member eligibility, collateral lending value process, intraday liquidity management, and information security. Oversight and execution of the AHP was satisfactory.

District 11: The Federal Home Loan Bank of San Francisco

At the time of its January 2021 examination, the overall condition, and operations of the FHLBank of San Francisco were satisfactory. The FHLBank's financial condition was satisfactory, evidenced by strong capital, liquidity, and sensitivity to market risk positions along with adequate earnings. Asset quality and operational risk levels were acceptable, and board and senior management oversight was overall effective. Primary examination concerns related to mortgage loan participation and securities collateral, model risk management, membership application processes, advances pricing practices, business resumption agreements, electronic funds transfer framework, and supplier risk management. Oversight and execution of the AHP was satisfactory.

Office of Finance

At the time of its examination in July 2021, the overall condition and operations of the OF were satisfactory. Oversight by the board and senior management were effective. Primary examination concerns related to operational resilience, disaster recovery preparedness, and business process mapping.

FHLBank Directors' Compensation and Expenses

The FHLBanks are governed by boards of directors, which range in size from 14 to 22 members. Statute requires the majority of FHLBank board members to be member directors, who are officers or directors of member institutions, and at least 40 percent to be independent directors. Independent directors must reside in the district of the FHLBank where they serve as a board member and cannot be officers of a FHLBank or directors, officers, or employees of a member of the FHLBank where they serve. The OF's board comprises five independent directors and all 11 FHLBank presidents. The FHLBank presidents do not receive compensation for their service on the OF board.

The FHLBanks are permitted to provide reasonable compensation to their boards of directors for time required and necessary expenses, subject to FHFA review. Each of the 11 FHLBanks and the OF provides FHFA with its Director Compensation Policy (Policy), which establishes the maximum compensation for each director, the criteria for each director to receive that compensation, and the timing of payments for the upcoming year. FHFA reviews each Policy to assess the reasonableness of the proposed maximum compensation considering third-party market data and to ensure that it includes a provision for reduced compensation of any director who does not attend a sufficient number of meetings or fails to be a contributing board member. Each FHLBank and the OF submitted to FHFA reports of attendance and compensation paid to their directors for 2021. The FHLBanks and OF reduced director compensation in accordance with their policies, except in one instance where a FHLBank made an exception to its policy to address an unanticipated circumstance. Figure 10 shows the approved maximum compensation amounts available in 2021 for the listed board positions at each FHLBank and the OF.

Figure 10: 2021 Annual Maximum Compensation for FHLBank Directors

Federal Home Loan Bank	Chair	Vice Chair	Audit Committee Chair	Other Committee Chairs	Directors
Atlanta	$140,000	$120,000	$115,000	$110,000	$100,000
Boston	$137,500	$117,500	$117,500	$117,500	$107,500
Chicago	$145,000	$130,000	$130,000	$117,000	$105,000
Cincinnati	$145,000	$125,500	$125,500	$122,500	$110,000
Dallas[c]	$140,000	$123,000	$122,000	$117,500	$107,500
Des Moines	$142,000	$131,000	$126,000	$121,000	$109,000
Indianapolis	$137,000	$123,000	$122,000	$117,000	$107,000
New York	$145,000	$125,000	$122,000	$122,000	$112,500
Office of Finance[a,b]	$140,000	N/A	$120,000	$115,000	$107,500
Pittsburgh	$142,500	$122,500	$122,500	$122,500	$112,500
San Francisco	$140,000	$135,000	$125,000	$120,000	$115,000
Topeka	$142,500	$122,500	$122,500	$122,500	$112,500
Average	$141,375	$125,000	$122,500	$118,708	$108,833
Median	$141,000	$123,000	$122,250	$118,750	$108,250

[a] The compensation at the OF is for independent directors only. FHLBank Presidents do not receive compensation for these responsibilities. The Vice Chair is a FHLBank President.

[b] The Chair of the Risk Committee for OF also receives $120,000.

[c] The Chair of the Risk Management Committee for Dallas also receives $122,000

Included in director compensation are payments for certain expenses incurred by a director's spouse or guest. Spouse and guest payments include travel expenses reimbursed to the director and the cost per attendee of group events offered to directors and their guests in conjunction with a meeting. Figure 11 contains information on FHLBank directors' compensation in 2021 and its component parts: compensation paid in cash, compensation deferred, and amounts paid for spouse and guest expenses.

Figure 11: FHLBank Director Compensation for 2021

Federal Home Loan Bank	Director Compensation Paid in Cash		Director Deferred Compensation		Spouse/Guest Expenses		Total Director Compensation Paid (Cash + Deferred + Spouse/Guest Expenses)	
	Average	Total	Average	Total	Average	Total	Average	Total
Atlanta	$97,071	$1,359,000	$11,857	$166,000	$2,206	$30,881	$111,134	$1,555,881
Boston	$66,542	$998,125	$48,292	$724,375	$0	$0	$114,833	$1,722,500
Chicago[1]	$110,896	$1,996,128	$5,636	$101,450	$182	$3,281	$116,714	$2,100,859
Cincinnati	$117,559	$1,998,500	$0	$0	$27	$456	$117,586	$1,998,956
Dallas[2]	$94,374	$1,604,352	$18,594	$316,102	$314	$5,337	$113,282	$1,925,791
Des Moines[3]	$86,285	$1,898,263	$27,784	$611,250	$0	$0	$114,069	$2,509,513
Indianapolis	$96,526	$1,640,950	$17,591	$299,050	$0	$0	$114,118	$1,940,000
New York	$118,167	$2,127,000	$0	$0	$63	$1,132	$118,230	$2,128,132
Office of Finance	$119,000	$595,000	$0	$0	$0	$0	$119,000	$595,000
Pittsburgh	$87,515	$1,400,241	$31,249	$499,976	$11	$177	$118,775	$1,900,394
San Francisco	$65,119	$976,792	$56,075	$841,125	$0	$0	$121,194	$1,817,917
Topeka[4]	$87,230	$1,482,902	$29,149	$495,529	$1,088	$18,501	$117,467	$1,996,932
Total (All Directors)	$1,146,283	$18,077,253	$246,227	$4,054,857	$3,891	$59,765	$1,396,401	$22,191,875
Average	$95,524	$1,506,438	$20,519	$337,905	$324	$4,980	$116,367	$1,849,323
Median	$95,450	$1,543,627	$18,093	$307,576	$19	$316	$117,090	$1,932,896

1 Chicago had a director fill a vacancy on 6/1/2021.

2 Dallas had a director resign on 7/15/2021.

3 Des Moines had a director pass away on 5/25/2021 and replaced on 8/30/2021. Another director became ineligible on 11/18/2021.

4 Topeka had a director resign on 4/14/2021 and the position was filled on 7/1/2021.

In addition to information about director compensation, the FHLBanks and the OF are required each year to submit to FHFA for review expenses incurred by the boards of directors, which are either paid directly by the FHLBank or reimbursed to the directors. Figure 12 summarizes this information. Board Expenses Attributable to Directors includes all travel-related expenses for which the directors are reimbursed, including transportation, lodging, and food. Director Training Expenses includes the costs of external speakers at board meetings, board member attendance at training conferences, and educational materials. Other Director Expenses includes the costs of attendance at FHLBank-related events, such as annual member meetings, chair and vice chair meetings, and Council of FHLBanks meetings. Group Expenses includes costs not directly attributable to individuals, such as food and beverages at meetings, audio-visual services, and meeting space rentals. Figure 13 summarizes the average and total costs of the directors of each FHLBank and the OF as the sum of compensation and expenses.

Figure 12: FHLBank Directors' Expenses in 2021

Federal Home Loan Bank	Board Expenses Attributable to Directors		Director Training Expenses		Other Director Expenses, (if any)		Group Expenses	
	Average	Total	Average	Total	Average	Total	Average	Total
Atlanta	$10,539	$147,548	$1,892	$26,482	$288	$4,026	$5,699	$79,787
Boston	$3,784	$56,754	$0	$0	$315	$4,722	$2,240	$33,607
Chicago	$2,489	$44,807	$0	$0	$181	$3,257	$139	$2,509
Cincinnati	$1,224	$20,807	$0	$0	$108	$1,838	$4,815	$81,853
Dallas	$2,029	$34,487	$0	$0	$116	$1,964	$120	$2,032
Des Moines	$2,449	$53,869	$43	$956	$346	$7,608	$43	$950
Indianapolis	$939	$15,970	$79	$1,344	$9	$153	$2,595	$44,111
New York	$1,394	$25,087	$0	$0	$408	$7,342	$445	$8,007
Office of Finance[1]	$1,427	$7,136	$664	$3,318	$310	$1,549	$2,044	$32,709
Pittsburgh	$21	$333	$2,058	$32,928	$163	$2,603	$2,192	$35,069
San Francisco	$0	$0	$1,185	$17,782	$184	$2,764	$889	$13,330
Topeka	$5,388	$91,601	$0	$0	$196	$3,328	$2,159	$36,699
Total (All Directors)	$31,683	$498,400	$5,921	$82,809	$2,622	$41,155	$23,380	$370,663
Average	$2,640	$41,533	$493	$6,901	$219	$3,430	$1,948	$30,889
Median	$1,728	$29,787	$22	$478	$190	$3,010	$2,102	$33,158

[1] Group expenses for the Office of Finance covers the full board including the 11 FHLBank Presidents.

Figure 13: FHLBank Directors' Total Cost for 2021

Federal Home Loan Bank	Total Director Compensation Paid (Cash + Deferred + Spouse/Guest Expenses)		Total Director Expenses (All expenses including board expenses, training, group and other expenses)		Total Director Cost (Total Compensation + Total Expenses)	
	Average	Total	Average	Total	Average	Total
Atlanta	$111,134	$1,555,881	$18,417	$257,844	$129,552	$1,813,725
Boston	$114,833	$1,722,500	$6,339	$95,084	$121,172	$1,817,584
Chicago[1]	$116,714	$2,100,859	$2,810	$50,573	$119,524	$2,151,431
Cincinnati	$117,586	$1,998,956	$6,147	$104,498	$123,733	$2,103,454
Dallas[2]	$113,282	$1,925,791	$2,264	$38,484	$115,546	$1,964,275
Des Moines[3]	$114,069	$2,509,513	$2,881	$63,383	$116,950	$2,572,896
Indianapolis	$114,118	$1,940,000	$3,622	$61,577	$117,740	$2,001,577
New York	$118,230	$2,128,132	$2,246	$40,436	$120,476	$2,168,568
Office of Finance[4]	$119,000	$595,000	$8,943	$44,713	$123,445	$639,713
Pittsburgh	$118,775	$1,900,394	$4,433	$70,933	$123,208	$1,971,327
San Francisco	$121,194	$1,817,917	$2,258	$33,875	$123,453	$1,851,792
Topeka[5]	$117,467	$1,996,932	$7,743	$131,628	$125,209	$2,128,561
Total (All Directors)	$1,396,401	$22,191,875	$68,103	$993,027	$1,460,007	$23,184,902
Average	$116,367	$1,849,323	$5,675	$82,752	$121,667	$1,932,075
Median	$117,090	$1,932,896	$4,028	$62,480	$122,190	$1,986,452

1 Chicago had a director fill a vacancy on 6/1/2021.

2 Dallas had a director resign on 7/13/2021.

3 Des Moines had a director pass away on 5/25/2021 and replaced on 8/30/2021. Another director became ineligible on 11/18/2021.

4 Group expenses for the Office of Finance are divided by the full 16 board members rather than just the 5 independent directors.

5 Topeka had a director resign on 4/14/2021 and the position was filled on 7/1/2021.

Results of Stress Tests Under the Dodd-Frank Wall Street Reform and Consumer Protection Act

Summary

Section 165(i)(2) of the Dodd-Frank Wall Street Reform and Consumer Protection Act of 2010 (Dodd-Frank Act), as amended by section 401 of the Economic Growth, Regulatory Relief, and Consumer Protection Act, requires certain financial companies with total consolidated assets of more than $250 billion, and which are regulated by a primary federal financial regulatory agency, to conduct annual stress tests to determine whether the companies have the capital necessary to absorb losses as a result of severely adverse economic conditions. These statutory changes, which became effective on March 24, 2020, require the Enterprises to conduct stress tests on an annual basis due to their total consolidated asset amounts, function in the mortgage market, size of their retained portfolios, and their share of the mortgage securitization market. Because no FHLBank meets the total consolidated asset threshold of $250 billion, none of them is subject to the stress test requirements of the statute. Dodd-Frank Act stress testing is a forward-looking exercise that assesses the impact on capital levels that would result from a global market shock and nine quarters of adverse economic conditions.

The 2021 Dodd-Frank Act stress tests conducted by the Enterprises were based on their portfolios as of December 31, 2020. The stress tests covered two distinct scenarios, each over the nine-quarter period from January 1, 2021 through March 31, 2023.

First, the Baseline scenario models an environment of economic expansion in the United States, under which average nominal house price appreciation is approximately 3.50 percent in 2021, 3.75 percent in 2022, and 4.00 percent in 2023. The unemployment rate declines modestly through the nine-quarter scenario period. Mortgage interest rates increase moderately in line with long-term Treasury yields.

Second, the Severely Adverse scenario models an environment marked by a severe global recession, under which house prices and commercial real estate prices in the United States decline approximately 24 percent and 35 percent, respectively. The unemployment rate increases significantly through the first seven quarters and then falls gradually over the remaining two quarters. Short-term interest rates remain near zero through the scenario period. Long-term Treasury rates remain flat at 1/4 percent through the first quarter of 2022, and then rise in the last four quarters. Mortgage interest rates increase in the first half of the scenario period, and then fall gradually.

FHFA aligned the stress test scenario variables and assumptions with those used by the Board of Governors of the Federal Reserve System (Federal Reserve Board) in its annual Dodd-Frank Act stress tests. Similar to the stress testing assumptions used by the Federal Reserve Board for the Severely Adverse scenario, FHFA required the Enterprises to apply a global market shock to securities and other assets held at fair value.

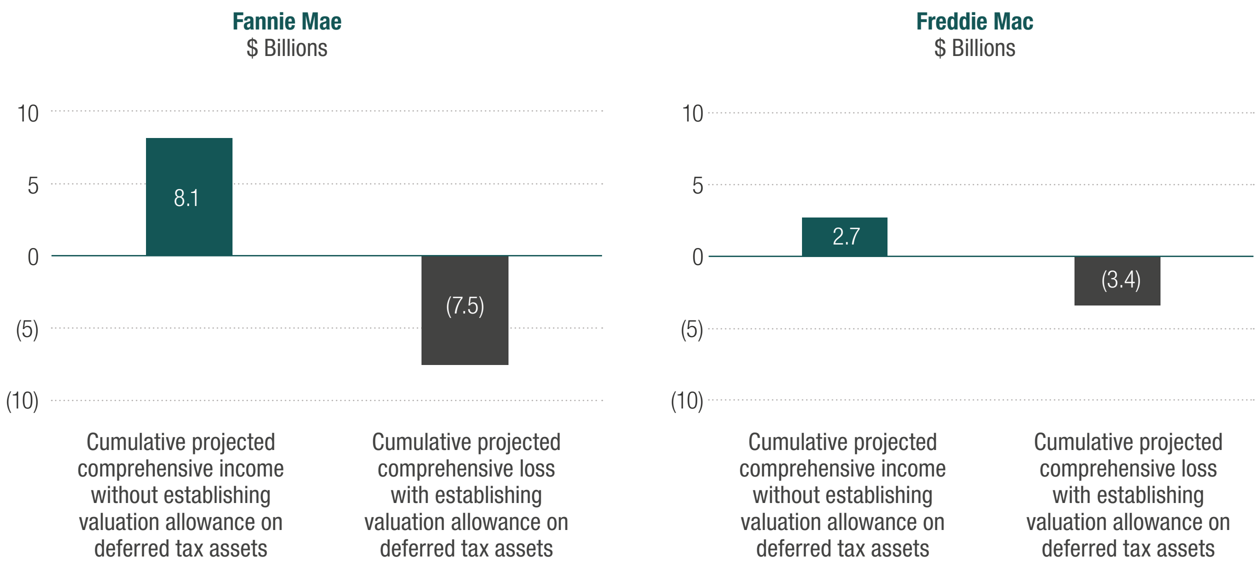
The Enterprises estimated instantaneous losses in the first quarter of the planning horizon from the global market shock on assets held at fair value and assumed no recovery of such losses over the planning horizon.

FHFA required the Enterprises to incorporate a counterparty default scenario component into the Severely Adverse scenario. This additional component required each Enterprise to estimate the potential losses and effects on capital associated with the instantaneous and unexpected default of its largest counterparty across one of the following: secured and unsecured lending, securities lending, repurchase and reverse repurchase agreements, and derivative exposures; single-family mortgage insurance providers; or providers of multifamily credit enhancements.

2021 Results for the Severely Adverse Scenario

FHFA, acting in its capacity as conservator, published the results of the Severely Adverse scenario stress tests of the Enterprises on August 13, 2021. In the Severely Adverse scenario, each Enterprise projected total comprehensive income without establishing a valuation allowance on deferred tax assets and total comprehensive losses with establishing a valuation allowance on deferred tax assets. As shown in Figure 14, Fannie Mae projected total comprehensive income of $8.1 billion (without allowance) and losses of $7.5 billion (with allowance), and Freddie Mac projected total comprehensive income of $2.7 billion (without allowance) and losses of $3.4 billion (with allowance). The largest contributor to comprehensive losses at both Enterprises was the provision for credit losses, followed by the global market shock impact on trading securities and Available-for-Sale securities.

Figure 14: Severely Adverse Scenario Projections - Cumulative Comprehensive Losses



Enterprise Housing Goals and Duty to Serve

Housing Goals

The Federal Housing Enterprises Financial Safety and Soundness Act of 1992 (Safety and Soundness Act) requires FHFA to establish annual housing goals for Enterprise purchases of both single-family and multifamily mortgages.

In 2021, FHFA evaluated the mortgage purchases of the Enterprises based on the following eight housing goals, which were established by FHFA in February 2018 and remained in effect through the end of 2021.[10]

1. **Low-income home purchase goal:** Home purchase mortgages to families with incomes no greater than 80 percent of area median income (AMI).

2. **Very low-income home purchase goal:** Home purchase mortgages to families with incomes no greater than 50 percent of AMI.

3. **Low-income areas home purchase subgoal:** Home purchase mortgages to families living in census tracts with tract median incomes no greater than 80 percent of AMI, or families with incomes no greater than 100 percent of AMI who live in census tracts with a minority population of at least 30 percent and a tract median income of less than 100 percent of AMI.

4. **Low-income areas home purchase goal:** Home purchase mortgages that meet the criteria of the low-income areas home purchase subgoal or that are to families with incomes no greater than 100 percent of AMI who live in designated disaster areas.

5. **Low-income refinance goal:** Refinance mortgages to families with incomes no greater than 80 percent of AMI.

6. **Low-income multifamily goal:** Rental units in multifamily properties that are affordable to families with incomes no greater than 80 percent of AMI.

7. **Very low-income multifamily subgoal:** Rental units in multifamily properties that are affordable to families with incomes no greater than 50 percent of AMI.

8. **Small multifamily low-income subgoal:** Rental units in multifamily properties with 5 to 50 units that are affordable to families with incomes no greater than 80 percent of AMI.

In determining whether an Enterprise has met a single-family housing goal, FHFA compares the percentage of its total mortgage purchases that meet the goal to the lower of a benchmark level, established in advance by FHFA regulation, and a market level, determined retrospectively using Home Mortgage Disclosure Act (HMDA) data. FHFA evaluates whether an Enterprise has met a multifamily housing goal by comparing the number of units in properties secured by a mortgage purchased by an Enterprise that meet the goal to the benchmark level for the goal that is established in advance by FHFA regulation.

Figure 15 summarizes Enterprise housing goals performance in 2020 and 2021. Enterprise 2020 performance figures are derived from FHFA's analysis of loan-level data provided by the Enterprises in 2021. In December 2021, FHFA finalized its determinations of Enterprise performance in 2020.

FHFA determined that Fannie Mae met all five single-family housing goals in 2020, as its performance surpassed the benchmark levels for all five goals. FHFA determined that Freddie Mac met the four single-family purchase housing goals, but failed to meet the low-income refinance goal in 2020. FHFA notified Freddie Mac that it must prepare and submit to FHFA a housing plan describing the actions it will take in 2022-2024 to improve its performance on the low-income refinance goal. FHFA determined that both Enterprises met the benchmark levels for each of the three multifamily goals in 2020.

In December 2020, FHFA issued a final rule on the 2021 housing goals for Fannie Mae and Freddie Mac. Due to the economic uncertainty related to the COVID-19 pandemic, FHFA established benchmark levels for 2021 only and maintained the same levels from the previous rulemaking cycle, 2018-2020.

[10] *See* 12 CFR Part 1282.

In December 2021, FHFA published a final rule establishing benchmark levels for each of the single-family housing goals and subgoals for 2022-2024. The final rule included two new single-family subgoals to replace the previous low-income areas subgoal. The new minority census tract subgoal is designed to focus on providing mortgage financing for low- and moderate-income borrowers in communities of color. The minority census tract goal will encourage the Enterprises to develop business strategies aimed specifically at meeting homeownership needs in communities of color and reflects FHFA's commitment to improving access to credit in these communities. The new low-income census tract subgoal continues to target loans in low-income areas.

The final rule established multifamily housing goals for 2022 only. FHFA will propose new multifamily benchmark levels for the Enterprises covering 2023-2024 in 2022.

FHFA's assessment of the Enterprise 2021 housing goals performance is currently underway. Figure 15 shows the goal levels and preliminary performance figures for 2021 based on information released in March 2022 in each Enterprise's Annual Housing Activities Report and Annual Mortgage Report. Later in 2022, FHFA will make final determinations on Enterprise housing goals performance and market levels for 2021.

Figure 15: 2020 and 2021 Enterprise Housing Goals Performance

Category	2020				2021	
	Benchmarks	Market[a]	Official Performance[b]	FHFA Goals Determination	Benchmark Level	Reported Performance[c]
Single-Family Goals[d]						
Low-income home purchase goal	24%	27.6%	Fannie Mae: 29.0% Freddie Mac: 28.5%	Fannie Mae: Met Freddie Mac: Met	24%	Fannie Mae: 28.7% Freddie Mac: 27.4%
Very low-income home purchase goal	6%	7.0%	Fannie Mae: 7.3% Freddie Mac: 6.9%	Fannie Mae: Met Freddie Mac: Met	6%	Fannie Mae: 7.4% Freddie Mac: 6.3%
Low-income areas home purchase subgoal	14%	17.6%	Fannie Mae: 18.3% Freddie Mac: 17.1%	Fannie Mae: Met Freddie Mac: Met	14%	Fannie Mae: 20.3% Freddie Mac: 18.0%
Low-income areas home purchase goal	18%	22.4%	Fannie Mae: 23.6% Freddie Mac: 21.8%	Fannie Mae: Met Freddie Mac: Met	18%	Fannie Mae: 24.6% Freddie Mac: 21.8%
Low-income refinance goal	21%	21.0%	Fannie Mae: 21.2% Freddie Mac: 19.7%	Fannie Mae: Met Freddie Mac: Fail	21%	Fannie Mae: 26.2% Freddie Mac: 24.8%
Multifamily Goals (units)						
Low-income multifamily goal	315,000	NA	Fannie Mae: 441,773 Freddie Mac: 473,338	Fannie Mae: Met Freddie Mac: Met	315,000	Fannie Mae: 384,488 Freddie Mac: 373,225
Very low-income multifamily subgoal	60,000	NA	Fannie Mae: 95,416 Freddie Mac: 107,105	Fannie Mae: Met Freddie Mac: Met	60,000	Fannie Mae: 83,459 Freddie Mac: 87,854
Small multifamily property low-income subgoal	10,000	NA	Fannie Mae: 21,797 Freddie Mac: 28,142	Fannie Mae: Met Freddie Mac: Met	10,000	Fannie Mae: 14,409 Freddie Mac: 31,913

Source: Federal Housing Finance Agency, Fannie Mae, Freddie Mac.

[a] Goal-qualifying shares of single-family home purchase or refinance conventional conforming mortgages originated in the primary mortgage market, based on FHFA analysis of 2020 HMDA data. Market performance for 2021 will be determined by FHFA later in 2022.

[b] Official performance in 2020 as determined by FHFA, based on analysis of Enterprise loan-level data.

[c] Performance as reported by the Enterprises in their March 2022 *Annual Housing Activities Reports*. Official performance on all goals in 2021 will be determined by FHFA after analysis of Enterprise loan-level data is completed.

[d] Benchmark levels for single-family goals are minimum percentages of all mortgages financed by Enterprise acquisitions of home purchase or refinance mortgages on owner-occupied properties.

Duty to Serve

The Safety and Soundness Act provides that the Enterprises have a "duty to serve underserved markets" (DTS). The statute specifies that the Enterprises "shall provide leadership to the market in developing loan products and flexible underwriting guidelines" to improve the distribution and availability of mortgage financing in a safe and sound manner and "to facilitate a secondary market for mortgages for very low-, low-, and moderate-income families with respect to the following underserved markets:" manufactured housing, affordable housing preservation, and rural housing.[11] The statute directs FHFA to evaluate each Enterprise's compliance with this duty to serve and to evaluate and rate the extent of such compliance on an annual basis.

In December 2016, FHFA issued a final rule implementing the DTS statutory requirements.[12] The regulation requires each Enterprise to develop an Underserved Markets Plan (Plan) detailing the key objectives and activities to be undertaken by the Enterprise to meet its DTS obligations over a three-year period. The regulation establishes a process for FHFA to review and issue a Non-Objection for each underserved market in the Plan, pursuant to Non-Objection standards set forth in separate FHFA Evaluation Guidance, once FHFA is satisfied that all of its comments have been addressed. The regulation also establishes a framework for FHFA to evaluate and rate the Enterprises' compliance (further developed in the FHFA Evaluation Guidance); lists specific activities eligible for DTS credit; and allows the Enterprises to propose additional activities that FHFA will consider for DTS credit eligibility. The regulation does not mandate any particular activities; rather, it requires the Enterprises to develop their own plans to better serve families in the three underserved markets.

FHFA's process for evaluating and rating the Enterprises' DTS performance consists of three parts. First, FHFA conducts a quantitative assessment to determine whether each Enterprise achieved the objectives in its Plan. Second, FHFA conducts a qualitative assessment of each Enterprise's impact on affordable housing in the underserved markets. Third, FHFA evaluates extra credit-eligible activities undertaken by each Enterprise.

On January 1, 2018, the Plans for 2018-2020 of each Enterprise went into effect. On July 17, 2020, FHFA instructed the Enterprises to extend these Plans to include activities and objectives for 2021 due to the ongoing uncertainty around the impacts of COVID-19 on the economy. The Enterprises submitted proposed 2021 Plans to FHFA for review and Non-Objection on September 15, 2020, and FHFA issued Non-Objection determinations in December 2020.

2022-2024 Duty to Serve Plans

On May 3, 2021, both Enterprises submitted their proposed 2022-2024 Plans to FHFA.

FHFA published a Request for Input on May 18, 2021, beginning a 60-day public input period during which members of the public were invited to submit written input or deliver statements on the proposed Plans at three virtual public listening sessions. Concurrent with the public input period, FHFA staff reviewed each Enterprise's proposed 2022-2024 Plan and provided recommendations on the assignment of concept scores for each objective in the Plans.

On August 13, 2021, FHFA sent each Enterprise written feedback to inform revisions to specific activities and objectives, and the draft concept score for each year of each objective in its proposed Plan. The Enterprises submitted revised proposed 2022-2024 Plans to FHFA on October 22, 2021. After repeating the review process, FHFA determined that neither Enterprise's submission met the standards for Non-Objection in any of the three underserved markets, and FHFA instructed both Enterprises to submit third draft Plans. Additionally, FHFA provided notice to each Enterprise that the effective date for the versions of the 2022-2024 Plans that ultimately satisfy the standards for Non-Objection is January 1, 2022, regardless of when the Non-Objections are issued.

[11] 12 U.S.C. § 4565.

[12] 81 FR 96242 (Dec. 29, 2016), codified at 12 CFR Part 1282, Subpart C.

On February 11, 2022, both Enterprises submitted a third version of their proposed 2022-2024 Plans with additional revisions. In response to FHFA feedback, the Enterprises made additional changes to their Plans and resubmitted the Plans on April 12, 2022. FHFA issued a Non-Objection determination for each market in these Plans on April 26, 2022.

Under FHFA's Evaluation Guidance, an Enterprise may request to modify objectives in its Plan at any time for any year of the Plan. The Evaluation Guidance provides, however, that modifications that would change current year targets should not be submitted on a routine basis and should only occur in response to special circumstances beyond an Enterprises' control that materially alter its ability to execute an objective through the actions in its Plan, or to strengthen an Enterprise's commitment to an underserved market, such as making a target more ambitious, broadening the scope of an activity, or adding a new baseline to an objective.[13]

The DTS regulation provides that all modification requests are subject to FHFA Non-Objection, and that FHFA may seek public input on modification requests if the Agency "determines that public input would assist its consideration of the proposed modifications."[14] Both Enterprises maintained that all of their 2021 proposed modifications would strengthen their commitment to an underserved market. As a result, FHFA determined that seeking public comment on the proposed modifications was not necessary.

Fannie Mae and Freddie Mac submitted a combined 13 modification requests. Twelve of the thirteen modifications revised existing objectives in the Enterprises' 2021 Plans, and one modification added a new objective.[15] After reviewing all of Fannie Mae's and Freddie Mac's modification requests, FHFA issued Non-Objection determinations for all three markets of each Enterprise's modified Plan.

In April 2022, the Enterprises submitted annual reports on their efforts in 2021 to achieve their Plans' objectives in all three underserved markets, which will inform FHFA's evaluation of each Enterprise's performance in 2021. Noteworthy items from these annual reports are summarized below and in Figures 20 and 21.

In 2021, both Enterprises surpassed their Plans' loan purchase targets in the manufactured housing market. Further, both Fannie Mae[16] and Freddie Mac committed to purchasing only loans on manufactured housing communities that provide tenant pad lease protections identified in FHFA's DTS regulation.[17] These protections include advance notice of a pad rent increase or planned sale or closure of the community and rights related to the sale of the residents' homes or sublease of the pads. Both Enterprises surpassed their loan purchase targets for manufactured homes titled as real property, with Fannie Mae purchasing 22,755 loans representing a 163 percent increase over the baseline,[18] and Freddie Mac purchasing 12,788 loans, representing a 197 percent increase over the baseline.[19]

In the affordable housing preservation market, the Enterprises' Plans included objectives to support the Department of Housing and Urban Development's (HUD) Section 8 program, the HUD Rental Assistance Demonstration (RAD) program, Low-Income Housing Tax Credit (LIHTC) properties, small multifamily properties, shared equity homeownership programs, energy efficiency for single-family and multifamily properties, and residential economic diversity. In 2021, both Enterprises took steps to meet these objectives.

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13 *See* Evaluation Guidance 2020-4a at 20-21.

14 12 CFR § 1282.32(h).

15 Fannie Mae added an outreach objective in the affordable housing preservation market to research the impact of pricing incentives on increasing landlord acceptance of HUD Housing Choice Vouchers.

16 Fannie Mae's commitment to purchasing only loans on manufactured housing communities that provide DTS tenant pad lease protections became effective in 2022.

17 12 CFR § 1282.33(c)(4).

18 The baseline for Fannie Mae's 2021 manufactured housing titled as real property loan purchase objective is the average number of manufactured housing loans purchased by Fannie Mae in 2014, 2015, and 2016.

19 The baseline for Freddie Mac's 2021 manufactured housing titled as real property loan purchase objective is the average number of manufactured housing loans purchased by Freddie Mac in 2017, 2018, and 2019.

Freddie Mac continued to surpass its loan purchase goals by purchasing loans on 435 properties that also receive support from the Section 8 program. Fannie Mae purchased 16 loans representing more than 2,000 units to promote residential economic diversity under the DTS-eligible activity of purchasing loans under a state or local affordable housing program, an increase of 78 percent over the baseline.[20]

The Enterprises continued to engage in single-family and multifamily energy efficiency initiatives by conducting outreach to educate lenders, borrowers, and industry stakeholders on the impact of energy efficiency improvements on property values and mortgage performance, and by publishing research on energy efficient strategies.

In the rural housing market, Fannie Mae and Freddie Mac surpassed their Plans' single-family loan purchase targets in high-needs rural regions.[21] Fannie Mae purchased 27,388 loans in 2021 representing a 27 percent increase over 2020 purchases and a 164 percent increase over the baseline.[22] Freddie Mac purchased 23,529 loans in 2021 representing a 41 percent increase over 2020 purchases and a 126 percent increase over the baseline.[23] Both Enterprises made LIHTC investments in Middle Appalachia, the Lower Mississippi Delta, and rural persistent poverty counties.[24] In November 2021, Freddie Mac held its third annual rural research symposium, which focused on providing insights on the rural macroeconomy, community housing development, manufactured housing, sustainability, health and housing, and environmental justice.

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[20] The baseline for Fannie Mae's Residential Economic Diversity Single Family Loan Purchase objective in 2021 is based on 2019 acquisition data. 2019 was the first year Fannie Mae was able to track loan data for this objective.

[21] The DTS regulation defines "high-needs rural region" as any of the following regions provided the region is located in a rural area: Middle Appalachia; the Lower Mississippi Delta; a colonia; or a tract located in a persistent poverty county outside of these three regions. 12 CFR § 1282.1.

[22] The baseline for Fannie Mae's 2021 single-family purchases in high-needs rural regions is set at the 2016 level of 10,377 loans.

[23] The baseline for Freddie Mac's 2021 single-family purchases in high-needs rural regions is the average number of purchases in 2017, 2018, and 2019. The baseline was increased in 2020 after Freddie Mac reached its 2020 target by mid-year 2020.

[24] The DTS regulation defines a persistent poverty county as a county in a rural area that has had 20 percent or more of its population living in poverty over the past 30 years, as measured by the most recent successive decennial censuses. 12 CFR § 1282.1.

Figure 16: 2021 Fannie Mae DTS Loan Purchase Performance Relative to Plan Targets

*New loan purchase objective in 2021

Market	Activity[a]	2021 Target[b]	2021 Purchases[c]	Performance Relative to Target
Manufactured Housing	Manufactured Homes Titled as Real Property	12,650 loans	22,755 loans	Exceeded
	Manufactured Housing Communities Not Privately Owned	3 loans	1 loan 226 units	Partial
	Manufactured Housing Communities with Certain Tenant Pad Lease Protections	111 properties	280 properties 21,039 units	Exceeded
Affordable Housing Preservation	Section 8	153 loans	222 loans 26,603 units	Exceeded
	Section 515*	6 loans	0 loans	Below Target
	Rental Assistance Demonstration Program (RAD)	11 properties	12 properties 1,378 units	Exceeded
	Other State or Local Affordable Housing Programs	59 loans	78 loans 12,776 units	Exceeded
	Residential Economic Diversity – Other state or local affordable housing programs	12 loans	16 loans 2,013 units	Exceeded
Rural Housing	High-Needs Rural Regions	12,000 loans	27,388 loans	Exceeded
	Multifamily High-Needs Rural	45 loans	47 loans 4,948 units	Exceeded
	Small Financial Institutions	8,950 loans	18,699 loans	Exceeded
	Rural LIHTC Investments	42 investments	52 investments 2,839 units	Exceeded

[a] Each Enterprise determines which loans to seek DTS credit for under a given activity, subject to FHFA's parameters. Consequently, loan purchase performance for an activity may not be comparable across Enterprises.

[b] Each Enterprise determines its 2021 targets using the methodology described in its Plan.

[c] A loan purchase may qualify for DTS credit under multiple DTS objectives.

Figure 17: 2021 Freddie Mac DTS Loan Purchase Performance Relative to Plan Targets

*New loan purchase objective in 2021

Market	Activity[a]	2021 Target[b]	2021 Purchases[c]	Performance Relative to Target
Manufactured Housing	Manufactured Homes Titled as Real Property	8,200 loans	12,788 loans	Exceeded
	Manufactured Housing Communities – Resident Owned Community (ROC)	1 transaction	1 transaction 125 units	Met Target
	Manufactured Housing Communities with Tenant Pad Lease Protections	75 transactions 7,500 units	116 transactions 13,843 units	Exceeded
Affordable Housing Preservation	Section 8	23,400 units	435 properties 27,279 units	Exceeded
	HUD Rental Assistance Demonstration (RAD)	8 properties 1,000 units	8 properties 1,191 units	Exceeded
	Low Income Housing Tax Credits (LIHTC) Debt	42,000 units	52,390 units	Exceeded
	Financing of Small Multifamily Rental Properties	$200 M	71 properties 1,351 units $244.4 M	Exceeded
	Residential Economic Diversity: Additional Activity	3,800 units	4,142 units	Exceeded
	Shared Equity*	110 loans	126 loans	Exceeded
Rural Housing	High-Needs Regions (Single Family)	17,000 loans	23,529 loans	Exceeded
	Small Financial Institutions	9,100 loans	10,832 loans	Exceeded
	Rural LIHTC Investments	15 transactions	16 transactions 1,295 units	Exceeded
	Rural LIHTC Investments in High-Needs Populations	2 transactions	2 transactions	Met Target
	Rural LIHTC Investments – Small Multifamily	7 transactions	7 transactions	Met Target
	Rural LIHTC Investments in High-Needs Regions	5 transactions	7 transactions 354 units	Exceeded

[a] Each Enterprise determines which loans to seek DTS credit for under a given activity, subject to FHFA's parameters. Consequently, loan purchase performance for an activity may not be comparable across Enterprises.

[b] Each Enterprise determines its 2021 targets using the methodology described in its Plan.

[c] A loan purchase may qualify for DTS credit under multiple DTS objectives.

Affordable Housing Allocations

To support affordable housing, the Safety and Soundness Act requires the Enterprises to set aside in each fiscal year an amount equal to 4.2 basis points (0.042 percent) for every dollar of unpaid principal balance on total new business purchases.[25] Of the amount set aside, the Enterprises must transfer 65 percent to the Department of Housing and Urban Development to fund the Housing Trust Fund and 35 percent to the Treasury Department to fund the Capital Magnet Fund.[26] The Housing Trust Fund is designed to assist states in meeting the housing needs of the lowest-income families. The Capital Magnet Fund is a special account within the Community Development Financial Institutions Fund designed to increase investment in affordable housing, economic development, and community development facilities in low-income or underserved rural areas.[27]

In March 2022, Fannie Mae and Freddie Mac made, as directed, a total of $1.138 billion in affordable housing allocation payments. Figure 18 shows the total amounts paid into these funds each year from 2016 through 2022. These affordable housing allocation payments were calculated based on each Enterprise's total new business purchases.[28] Fannie Mae's new business purchases in 2021 amounted to approximately $1.4 trillion, resulting in a $598 million affordable housing allocation payment. Freddie Mac's total new business purchases in 2021 amounted to approximately $1.3 trillion, resulting in a $540 million affordable housing allocation payment.

Figure 18: Affordable Housing Allocation Payments

Affordable Housing Allocation Payments (Dollars in millions)								
Enterprise	2016	2017	2018	2019	2020	2021	2022	Total
Fannie Mae	$217	$268	$239	$215	$280	$603	$598	$2,420
Freddie Mac	$165	$187	$175	$162	$222	$491	$540	$1,942
Total	$382	$455	$414	$377	$502	$1,090	$1,138	$4,361

[25] Under HERA, FHFA is statutorily authorized to temporarily suspend an Enterprise's affordable housing allocations, generally based on the financial condition of the Enterprise.

[26] *See* 12 U.S.C. § 4567(a).

[27] *Id.*; *see also* 12 U.S.C. §§ 4568 and 4569.

[28] *See* Fannie Mae, Form 10-K for the Fiscal Year Ended December 31, 2021, at 236 (Feb. 15, 2022); Freddie Mac, Form 10-K for the Fiscal Year Ended December 31, 2021, at 124 (Feb. 10, 2022).

Federal Home Loan Bank Mission and Affordable Housing Programs

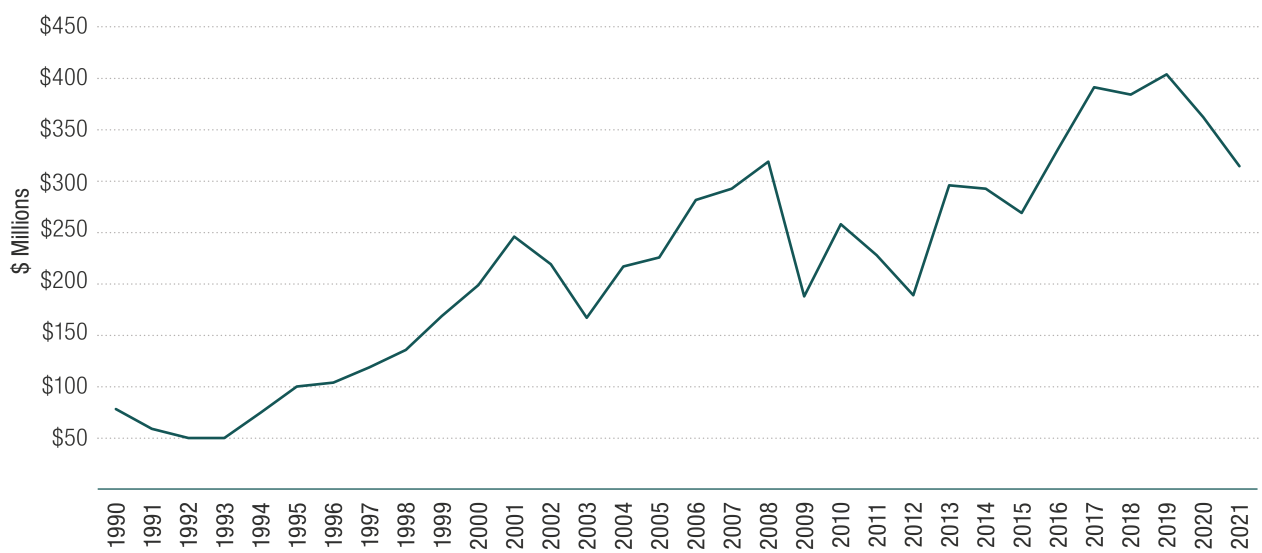
Affordable Housing Programs

The Federal Home Loan Bank Act of 1932 (Bank Act) requires each of the FHLBanks to establish an Affordable Housing Program (AHP) to fund the purchase, construction, or rehabilitation of affordable housing for very low- and low- or moderate-income households.[29] FHLBank member financial institutions can apply to their FHLBanks for AHP grants or subsidized advances, which the members pass on as grants or subsidized loans to eligible projects or grants to eligible households. Annually, each FHLBank is required by statute to fund its AHP with 10 percent of its net earnings from the prior year, provided that all 11 FHLBanks meet a total contribution minimum of $100 million. In 2021, the FHLBanks made available approximately $314.7 million in AHP subsidies nationwide (Figure 19). From 1990, the AHP's first year, through 2021, the FHLBanks awarded approximately $7.3 billion in AHP subsidies, assisting more than one million households.

By statute, AHP subsidies must be used either to fund homeownership for households with incomes at or below 80 percent of area median income (AMI), or to purchase, construct, or rehabilitate rental housing in which at least 20 percent of the units will be occupied by, and affordable to, households with incomes at or below 50 percent of AMI.

In November 2018, FHFA issued a final rule amending the AHP regulation to provide the FHLBanks additional authority and flexibility over the use of their AHP funds and the selection of projects. The FHLBanks were required to comply with certain amendments by January 1, 2020, and with the rest of the amendments by January 1, 2021.

Figure 19: Federal Home Loan Banks' AHP Statutory Contributions



AHP Competitive Application Program – Under the AHP competitive application program, FHLBank members apply on behalf of project sponsors, typically nonprofit organizations or housing finance agencies, to their FHLBanks for AHP funds pursuant to a competitive application scoring process.

In 2021, rental housing units made up approximately 89 percent of all units funded under the competitive application program, a slight decrease from 90 percent in 2020 (Figure 20).

[29] *See* 12 U.S.C. § 1430(j).

Figure 20: 2021 AHP Competitive Application Overview[a]

	Rental Housing Projects	Owner-Occupied Housing Projects	Total Housing Projects
Total Number of Awarded Projects	327	99	426
Subsidy Awarded ($ in Millions)	$221.3M	$41.3M	$262.6M
Number of Housing Units	17,658	2,127	19,785
Average Subsidy per Unit	$12,535	$19,399	$13,273
Number of Very Low-Income Housing Units[b]	12,377	894	13,271

[a] Data, which exclude withdrawn projects, are current as of December 31, 2021. Numbers expressed in dollars have been rounded to the nearest dollar.

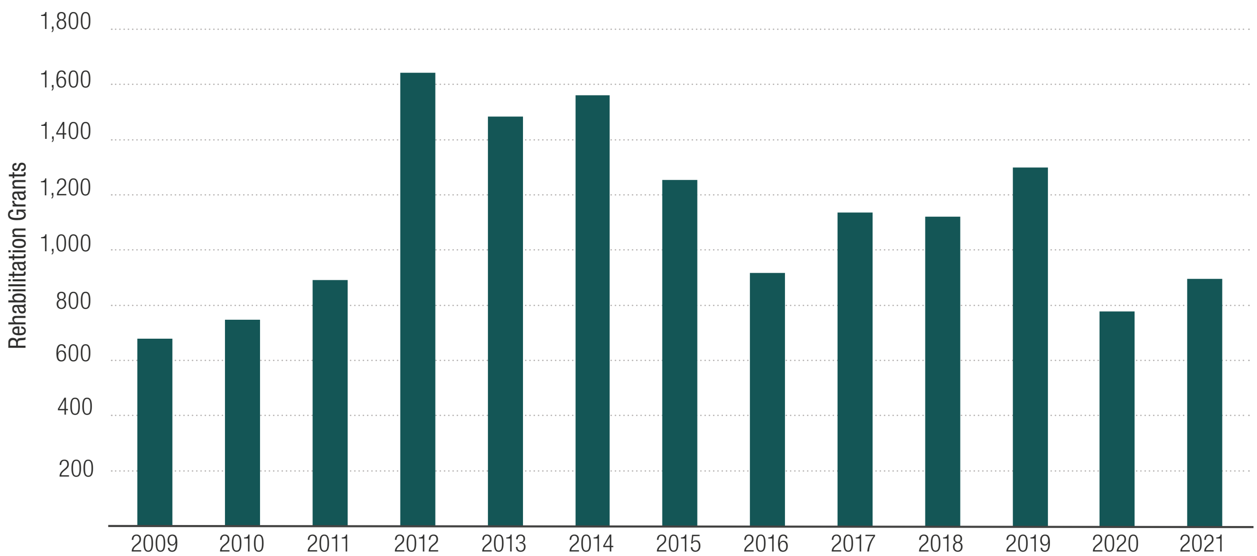
[b] "Very low-income" is defined as households with incomes at or below 50 percent of AMI.

AHP Homeownership Set-Aside Program

Each FHLBank is also authorized to set aside funds for grants to eligible households under homeownership set-aside programs. The limit that each FHLBank may allocate annually is the greater of either $4.5 million or 35 percent of its statutorily required AHP annual contribution (10 percent of its net earnings for the prior year). All 11 FHLBanks offered homeownership set-aside programs in 2021, with total funding of approximately $89.8 million. For 2021, at least one-third of an FHLBank's annual aggregate homeownership set-aside program allocation was required to be designated to assist low- or moderate-income first-time homebuyers or owner-occupied rehabilitation for low- or moderate-income households.

The 2018 amendments to the AHP regulation increased the maximum permissible homeownership set-aside program grant per household from $15,000 to $22,000, subject to annual adjustments upward in accordance with increases in FHFA's House Price Index. The compliance date for this provision was January 1, 2021. In 2021, one FHLBank opted to provide grants to households above $15,000. The average set-aside grant per household in 2021 was $6,915. The most common use of set-aside grants was to defray borrowers' down payment and closing costs. In 2021, 895 set-aside grants also funded the rehabilitation of owner-occupied homes, an increase from 777 set-aside grants for owner-occupied rehabilitation in 2020 (see Figure 21).

Figure 21: Number of AHP Homeownership Set-Aside Grants Used for Rehabilitation Assistance (2009-2021)



AHP Subsidies Used in Conjunction with Other Sources of Funding – The AHP is designed to work with a variety of other funding sources and is frequently used in conjunction with funding from nonprofit organizations and housing programs at the federal, state, or local level. In 2021, approximately 61 percent of AHP projects received additional funding from federal programs (Figure 22), such as the HOME Investment Partnerships Program, the Community Development Block Grant Program, and the LIHTC Program. LIHTC was the most common source of funding, supporting about 62 percent of all approved AHP applications for rental housing.

Figure 22: Number of AHP Projects Approved in 2021 Receiving Federal Funding[a]

Program	Number of AHP Projects
Community Development Block Grant Program	23
HOME Investment Partnerships Program	82
LIHTC Program	202
Federal Housing Administration Programs	8
Other Federal Housing Programs	45
Projects Not Receiving Funding from Federal Sources	168

[a] Data, which exclude withdrawn projects, are current as of December 31, 2021. Some projects may have federal funding from more than one source.

Community Investment Programs and Community Investment Cash Advance Programs

Each FHLBank, through its statutorily-mandated Community Investment Program (CIP), offers advances to its members at the cost of the FHLBanks' consolidated obligations of comparable maturities, taking into account reasonable administrative costs. CIP advances may assist the financing of housing for households with incomes at or below 115 percent of AMI. CIP funds also may be used for economic development projects that are located in low- and moderate-income neighborhoods or that benefit low- and moderate-income households. In 2021, the FHLBanks issued approximately $1.7 billion in CIP advances for housing projects and approximately $32.2 million for economic development projects.

Each FHLBank may also offer optional Community Investment Cash Advance (CICA) programs, which are authorized under the CICA regulation and the Bank Act. Under these programs, FHLBanks may support the financing of targeted economic development projects by offering low-cost, long-term advances and grants through FHLBank members, as well as through housing associates such as state and local housing finance agencies and economic development finance authorities. In 2021, the FHLBanks provided approximately $1 billion in CICA advances for economic development projects, such as commercial, industrial, and manufacturing projects, social services, and public facilities that met the requirements for qualifying as one of the specified targeted beneficiaries in the CICA regulation.

Community Development Financial Institutions – Two types of CDFIs are eligible to become FHLBank members: federally insured depositories and non-depository CDFIs. As of December 31, 2021, 68 non-depository CDFIs were members of the FHLBank System, up from 64 such members in 2020.[30]

FHLBank Housing Goals

The Bank Act requires that FHFA establish housing goals with respect to the purchase of mortgage loans, if any, by the FHLBanks, and that these goals be consistent with those established for the Enterprises, taking into account the FHLBanks' unique mission and ownership structure. FHFA's FHLBank housing goals regulation establishes housing goals for single-family loans purchased by the FHLBanks from their members through their Acquired Member Assets (AMA) programs.[31] The housing goals measure the extent to which the FHLBanks' AMA programs serve low- and very low-income families and families residing in low-income areas, as well as the extent to which these programs are used by small FHLBank members.

In 2020, three FHLBanks exceeded the $2.5 billion volume threshold: Chicago, Cincinnati, and Topeka. During 2021, FHFA evaluated the FHLBanks' 2020 housing goals performance and determined that the

[30] FHLBank membership is *available at*: **https://www.fhfa.gov/DataTools/Downloads/Pages/Federal-Home-Loan-Bank-Member-Data.aspx**.

[31] *See* 12 CFR part 1281.

FHLBanks of Chicago and Cincinnati did not meet the housing goal levels for the four goal categories. The FHLBank of Topeka did not meet the low-income and low-income areas purchase goals, or the low-income refinance goal. It did meet the very low-income purchase goal. Because FHFA finalized significant amendments to its existing FHLBank housing goals rule in 2020, FHFA informed the FHLBanks that it would not require submission of housing plans based on their 2020 performance.

On June 25, 2020, FHFA published a final rule amending the FHLBank housing goals regulation. The rule, which applies to AMA loan purchases after 2020, eliminated the $2.5 billion volume threshold, such that all FHLBanks are now subject to the housing goals. The regulation now includes a single, combined, prospective mortgage purchase housing goal, rather than four distinct housing goals measured retrospectively via market comparison. It also includes a new small member participation housing goal for participation by small institutions. The rule requires that 20 percent of a FHLBank's AMA loan purchases, measured in unpaid principal balance, be loans for some combination of low-income families, very low-income families, or families in low-income areas, provided that no more than 25 percent of the purchases that count towards achievement of this 20 percent level be for families with incomes above 80 percent of AMI. The rule also provides that, of all institutions that sell at least one AMA loan to a given FHLBank in a year, at least 50 percent of such institutions must have assets not in excess of $1,239,000,000, as adjusted annually by FHFA. AMA program users with assets below this limit are referred to as "Community-Based Users." Finally, the rule allows FHLBanks to propose different target levels for mortgage purchases and small member participation, other than 20 and 50 percent, respectively, subject to FHFA approval.

The new rule took effect starting January 1, 2021. FHFA is in the process of evaluating FHLBank housing goals performance for 2021.

Community Support Program

The Bank Act requires FHFA to adopt regulations establishing standards of community investment or service that FHLBank members must meet in order to maintain access to long-term advances.[32] The Bank Act further states that the regulations shall take into account factors such as a member's performance under the Community Reinvestment Act of 1977 (CRA) and the member's record of lending to first-time homebuyers.[33] FHFA's Community Support Program regulation implements these statutory provisions by establishing standards and procedures for the submission and review of FHLBank members' performance.[34] Under the regulation, every two years, members are required to submit to FHFA a community support statement describing their latest CRA ratings and activities supporting first-time homebuyers, if applicable.

Based on its review of each member's community support statement, FHFA determines whether the member has complied with the community support standards, which, in part, determines whether the member's access to long-term advances and its FHLBank's AHP, CIP, and CICA programs will be restricted. FHFA gives each FHLBank member one of three community support review results: compliance, probation, or restriction.

[32] 12 U.S.C. § 1430(g)(1).

[33] 12 U.S.C. § 1430(g)(2).

[34] 12 CFR Part 1290.

The 2021 biennial review period began April 1, 2021 and ended on October 29, 2021. FHFA's determinations on members' community support compliance are set forth in Figure 23.

Figure 23: FHFA Community Support Statement Review Results, Standards and Actions

Results	Standard	Action
Compliance	Member institution complies with the requirements of FHFA's Community Support Program regulation.	Member maintains access to the FHLBank's long-term advances, and new participation in AHP, CIP and CICA programs.
Probation	Member institution is placed on probation if: • its most recent CRA rating was "Needs to Improve," and • either the member has not received any other CRA rating or its second-most recent CRA rating was "Outstanding" or "Satisfactory."	If a member is placed on probation, the member may continue to obtain long-term FHLBank advances and access to AHP, CIP and CICA programs during the probationary period. The probationary period runs until the member's next CRA rating.
Restriction	Member institution is placed on restriction if: • it does not submit a community support statement; • it has not demonstrated compliance with the first-time homebuyer standard; • its most recent CRA rating was "Substantial Noncompliance;" • its most recent CRA rating was "Needs to Improve" and its second-most recent CRA rating was "Needs to Improve;" or • its most recent CRA rating was "Needs to Improve," its second-most recent CRA rating was "Substantial Noncompliance," and its third-most recent CRA rating was "Needs to Improve" or "Substantial Noncompliance."	If a member is placed on restriction, the member may not obtain long-term FHLBank advances and may not engage in new AHP, CIP, and CICA activity until the restriction is removed.

Fair Lending

In 2021, FHFA took meaningful steps to advance fairness and equity in the housing finance system. FHFA published a policy statement on fair lending to communicate the Agency's position on monitoring, supervisory examinations, and administrative enforcement. FHFA also published an advisory bulletin describing FHFA's supervisory expectations and providing guidance on fair lending compliance. FHFA completed targeted fair lending examinations of certain business areas of both Enterprises.

The Enterprises continued to strengthen their ability to comply with fair lending requirements by performing fair lending risk assessments, conducting regular monitoring of applications, acquisitions, and loss mitigation data, conducting targeted fair lending testing, and implementing enhanced procedures to ensure strong internal controls.

The Enterprises conducted comprehensive reviews of their respective Seller/Servicer Guides to identify provisions that pose fair lending risk and implement corrective actions to appropriately manage, reduce, or eliminate the identified risk. The Enterprises also conducted a joint assessment of servicer-maintained fair lending data to determine whether additional internal controls or oversight was needed to improve access to fair lending data during servicing. Following HUD's interpretive guidance regarding sexual orientation and gender identity, the Enterprises updated internal policies and issued public statements on their commitment to fair lending principles accordingly.

FHFA also instructed the Enterprises to submit Equitable Housing Finance Plans that identify and address barriers to sustainable housing opportunities. As part of these plans, FHFA required the Enterprises to take actions to reduce the racial or ethnic homeownership gap and reduce underinvestment or undervaluation in formerly redlined areas that remain underserved.

Climate Change and Environmental, Social, and Governance (ESG)

FHFA recognizes that climate change poses a serious threat to the U.S. housing finance system. For example, physical risks from climate change, such as increases in damages to homes from flooding or fires, could affect home values; changes in public policy that increase the costs of carbon-intensive industries, or require changes in heating sources, can lead to higher building costs; and consumer and investor preferences may induce migration away from areas with high likelihoods of climate or natural disaster events. Financially vulnerable communities may be disproportionately affected by climate risk, which necessitates careful consideration of the distributional effects of physical and transition risk.

FHFA is committed to working collaboratively with other federal agencies to make tangible progress toward addressing climate change and its consequences. FHFA's regulated entities have an important leadership role to play in addressing this issue. At the same time, FHFA is also enhancing its Agency-wide monitoring and supervision of climate change issues.

In January 2021, FHFA issued a Request for Input (RFI) on the current and future natural disaster risk to the housing finance system and to its regulated entities. FHFA also sought input on opportunities to strengthen its supervision and regulation of the regulated entities' management of, and reporting on, the physical and transition risks that may arise from natural disasters and changes in climate patterns. FHFA held a public listening session on Climate and Natural Disaster Risk Management on March 4, 2021. The listening session participants included a range of stakeholders including federal agencies, researchers, advocacy groups, academia, and data and modeling providers.

FHFA contributed to the Financial Stability Oversight Council (FSOC) Report on Climate-Related Financial Risk, 2021. FHFA led the drafting of a section on FHFA's regulatory and supervisory engagement with climate-related financial risk as well as sections discussing data on climate risk for its regulated entities.

In October 2021, FHFA updated the 2022 Enterprise multifamily loan caps to classify loans that finance energy or water efficiency improvements with units affordable at or below 60 percent of AMI as mission-driven.

In December 2021, FHFA issued a statement recognizing that climate change poses a serious threat to the U.S. housing finance system. The Agency has instructed the Enterprises and encouraged the Federal Home Loan Banks to designate climate change as a concern and actively consider its effects in their decision making. FHFA also announced that the 2022 Conservatorship Scorecard will hold the Enterprises accountable for ensuring resiliency to climate risks.

FHFA focused on capacity building in 2021. FHFA established an Environmental, Social, and Governance (ESG) Working Group in March 2021. Along with the Natural Disaster Risk Working Group established in 2020, the two working groups took important early steps toward understanding the risks associated with climate change and the changing ESG landscape throughout 2021.

FHFA also reorganized its Natural Disaster Risk and ESG Working Groups to provide a more focused perspective in areas determined beneficial for future work. The new organizational structure established eight cross-agency working groups staffed by subject-matter experts and devoted to: data and research; assessing climate exposure; ESG reporting and disclosure; governance; green bonds; consumer protection; internal agency operations; and legal issues. These working groups report to an executive-level Climate Change and ESG Steering Committee. Both the Steering Committee and the working group structure supporting it were formally established in January 2022.

Diversity and Inclusion

Supervision and Examination of the Regulated Entities' Diversity and Inclusion Programs

The Enterprises and the Federal Home Loan Banks (FHLBanks) are unique among federally regulated financial institutions in that they are required by law to establish an Office of Minority and Women Inclusion (OMWI), or its functional equivalent, to promote diversity and ensure inclusion in all business activities, including employment, management, and contracting, in accordance with FHFA standards and requirements.[35] FHFA's Minority and Women Inclusion regulation (MWI regulation) implementing the statute requires the regulated entities to "develop, implement, and maintain policies and procedures to ensure, to the maximum extent possible in balance with financially safe and sound business practices, the inclusion and utilization of minorities, women, individuals with disabilities, and minority-, women-, and disabled-owned businesses in all business and activities and at all levels" of the organization.[36] FHFA's MWI regulation also requires each regulated entity to develop a D&I strategic plan and report specific data to FHFA. In 2021, FHFA began issuing an annual D&I Report of Examination (ROE) to each regulated entity that includes a D&I composite rating and performance reporting on their workforce, procurement, and financial transactions diversity programs. A D&I composite rating more clearly informs FHFA's assessment of the regulated entities' programs and performance.

In 2021, OMWI's supervision and examination team completed its fifth year of examinations of the D&I Program (Program) of each regulated entity. Leveraging the results from the 2020 examinations, OMWI provided further guidance to the regulated entities in the areas of workforce, procurement, and finance. Also, OMWI continued to enhance its standards and systems that support standardized data reporting under the MWI regulation. These enhancements facilitate OMWI's continued development and assessment of D&I standards and regulatory compliance across the regulated entities.

In alignment with the requirements of FHFA regulation and the 2021 Conservatorship Scorecards guidance for Fannie Mae, Freddie Mac, and Common Securitization Solutions, LLC (CSS) (2021 Scorecards), in 2021, both Enterprises and CSS continued to execute formalized processes to assess and, where appropriate, integrate D&I across programs and initiatives. They also identified measurable D&I goals aligned with the objectives in the 2021 Scorecards.

FHFA's OMWI supervises and performs annual examinations of the Enterprises', CSS's, and FHLBank System's Programs. An OMWI Supervisory Examination Specialist, supported by examination staff, manages, and oversees D&I examination activities, continuous monitoring, and ongoing supervision throughout the year. Consistent with the requirements of FHFA regulation, in 2021, the Enterprises, CSS, and FHLBank System continued to execute strategies to ensure the consideration and integration of D&I in all of their businesses and activities. Both Enterprises, CSS, and each of the 11 FHLBanks and the Office of Finance established D&I goals and measurable targets.

Diversity and Inclusion Examination Results

The scope of the examinations changes from year to year. The results summarized below are based on the aspects of each regulated entity's Program that were examined in 2021, which included facets of Board Oversight, Strategic Planning, Workforce (*FHLBank System and CSS*), Finance (*Enterprises*), Data Management, and Internal Audit.

In 2021, OMWI conducted D&I examinations of each of the regulated entities. OMWI focused its reviews and assessments on aspects of the areas in scope. As a result of these examinations, OMWI identified deficiencies and issued 66 findings requiring corrective action. OMWI assigned qualitative ratings to each area evaluated, which informed the D&I composite rating. In 2021, OMWI developed D&I component and composite ratings for each regulated entity to reflect its D&I Program and board and management performance. The descriptive ratings are provided for each Federal Home Loan Bank. At the time of submission Annual Report to Congress, the ratings for

[35] *See* 12 U.S.C. § 4520(a) through (c).

[36] *See* 12 CFR Part 1223.

Fannie Mae, Freddie Mac, and CSS are non-public and under review.

Fannie Mae

OMWI issued findings at this examination requiring corrective action in Board Oversight, Strategic Planning, Finance, Data Management, and Internal Audit. Management remediated the findings issued at the previous examinations.

Freddie Mac

OMWI issued findings at this examination requiring corrective action in Board Oversight, Strategic Planning, Finance, Data Management, and Internal Audit. OMWI did not issue any findings at the previous examination.

CSS

OMWI issued findings at this examination requiring corrective action in Board Oversight, Strategic Planning, Finance, Data Management, and Internal Audit. OMWI did not issue any findings at the previous examination.

District 1: The Federal Home Loan Bank of Boston

At the time of the examination in October 2021, the Program was satisfactory. Board Oversight, Strategic Planning, Workforce, and Internal Audit were all adequate. Data Management was inadequate. OMWI issued findings in the data management area requiring corrective action at this examination. Management remediated the findings issued at the previous examination.

District 2: The Federal Home Loan Bank of New York

At the time of the examination in July 2021, the Program was satisfactory. Board Oversight, Strategic Planning, Workforce, and Internal Audit were all adequate. Data Management was inadequate. OMWI issued findings in the data management area requiring corrective action at this examination. Management remediated the findings issued at the previous examination.

District 3: The Federal Home Loan Bank of Pittsburgh

At the time of the examination in September 2021, the Program was satisfactory. Board Oversight, Workforce, Data Management, and Internal Audit were all adequate. Strategic Planning was inadequate. OMWI issued findings in the strategic planning and data management areas requiring corrective action at this examination. Management remediated the findings issued at the previous examination.

District 4: The Federal Home Loan Bank of Atlanta

At the time of the examination in January 2021, the Program was strong. Board Oversight, Strategic Planning, Workforce, Data Management, and Internal Audit were all adequate. OMWI did not issue any findings at this examination. Management remediated the findings issued at the previous examination.

District 5: The Federal Home Loan Bank of Cincinnati

At the time of the examination in April 2021, the Program needed improvement. Board Oversight, Workforce, and Internal Audit were all adequate. Strategic Planning and Data Management were inadequate. OMWI issued findings in the strategic planning, workforce, and data management areas requiring corrective action at this examination. Management remediated the findings issued at the previous examination.

District 6: The Federal Home Loan Bank of Indianapolis

At the time of the examination in April 2021, the Program needed improvement. Board Oversight, Workforce, and Internal Audit were all adequate. Strategic Planning and Data Management were inadequate. OMWI issued findings in the board oversight, strategic planning, and data management areas requiring corrective action at this examination. OMWI did not issue any findings at the previous examination.

District 7: The Federal Home Loan Bank of Chicago

At the time of the examination in July 2021, the Program needed improvement. Board Oversight and Workforce were adequate. Strategic Planning, Data Management, and Internal Audit were inadequate. OMWI issued findings in the strategic planning, data management, and internal audit areas requiring corrective action at this examination. Management remediated the findings issued at the previous examination.

District 8: The Federal Home Loan Bank of Des Moines

At the time of the examination in April 2021, the Program needed improvement. Board Oversight, Workforce, and Internal Audit were all adequate. Strategic Planning and Data Management were inadequate. OMWI issued findings in the strategic planning and data management areas requiring corrective action at this examination. Management was working to remediate the findings issued at the previous examination.

District 9: The Federal Home Loan Bank of Dallas

At the time of the examination in January 2021, the Program needed improvement. Strategic Planning, Workforce, and Internal Audit were all adequate. Board Oversight and Data Management were inadequate. OMWI issued findings in the board oversight and data management areas requiring corrective action at this examination. OMWI did not issue any findings at the previous examination.

District 10: The Federal Home Loan Bank of Topeka

At the time of the examination in October 2021, the Program was satisfactory. Strategic Planning, Workforce, Data Management, and Internal Audit were all adequate. Board Oversight was inadequate. OMWI issued findings in the board oversight and data management areas requiring corrective action at this examination. Management remediated the findings issued at the previous examination.

District 11: The Federal Home Loan Bank of San Francisco

At the time of the examination in July 2021, the Program needed improvement. Board Oversight, Workforce, and Internal Audit were all adequate. Strategic Planning and Data Management were inadequate. OMWI issued findings requiring corrective action in the strategic planning, workforce, and data management areas at this examination. OMWI did not issue any findings at the previous examination.

Office of Finance

At the time of the examination in January 2021, the Program was satisfactory. Board oversight, Strategic Planning, Workforce, and Internal Audit were all adequate. Data Management was inadequate. OMWI issued findings requiring corrective action in the data management area at this examination. OMWI did not issue any findings at the previous examination.

Regulatory Activities

Regulatory activities of FHFA support FHFA's mission as regulator of the Enterprises and the FHLBanks. In 2021, FHFA issued 17 proposed rules, final rules, policy guidance documents, regulatory orders, and regulatory interpretations, which are summarized in the following tables. FHFA has published the listed rules in the Federal Register.

The tables also indicate if a proposed rule has been adopted in final form since the proposal was published. More information about FHFA's regulatory activities is available on FHFA's website.

Proposed Rules: Regulated Entities

Rule/Regulation Title	Reference	Date (2021)	Description/Explanation/Comments
Capital Planning and Stress Capital Buffer Determination Proposed Rule	86 FR 73187; 12 CFR Part 1240	December 27	Proposes requirements for the Enterprises to submit annual capital plans to the Agency and provide prior notice for certain capital actions (the proposal or proposed rule). The Agency is also incorporating the determination of the stress capital buffer into the capital planning process. The requirements in this proposal are consistent with the regulatory framework for capital planning for large bank holding companies. The rule was adopted in final form on June 1, 2022.
Amendments to the Enterprise Regulatory Capital Framework Rule – Public Disclosures for the Standardized Approach Proposed Rule	86 FR 60589; 12 CFR Part 1240	November 3	Requested comments on new standardized approach disclosure requirements for the Enterprises, including disclosures related to regulatory capital instruments and risk-weighted assets calculated under the Enterprise Regulatory Capital Framework (ERCF). The amendments were adopted in final form on May 26, 2022.
Amendments to the Enterprise Regulatory Capital Framework Rule – Prescribed Leverage Buffer Amount and Credit Risk Transfer Proposed Rule	86 FR 53230; 12 CFR Part 1240	September 27	Proposed amendments to the ERCF by refining the prescribed leverage buffer amount (PLBA or leverage buffer) and credit risk transfer (CRT) securitization framework for the Enterprises. The amendments would also make technical corrections to various provisions of the ERCF that was published on December 17, 2020. The amendments were adopted in final form on February 25, 2022.
2022-2024 Enterprise Housing Goals Proposed Rule	86 FR 47398; 12 CFR Part 1282	August 25	See final regulations table; adopted in final form on December 28.

Final Rules: Regulated Entities

Rule/Regulation Title	Reference	Date (2021)	Description/Explanation/Comments
2022-2024 Single-Family and 2022 Multifamily Enterprise Housing Goals Final Rule	86 FR 73641; 12 CFR Part 1282	December 28	Amends FHFA's regulation on the single-family housing goals for the Enterprises for 2022 through 2024, as well as the multifamily housing goals for 2022. The rule went into effect on February 28, 2022.
Resolution Planning Final Rule	86 FR 23577; 12 CFR Part 1242	May 4	Requires the Enterprises to develop plans to facilitate their rapid and orderly resolution in the event FHFA is appointed receiver. The rule went into effect on July 6, 2021. There are deferred compliance deadlines for specified parts of the rule.
Rules of Practice and Procedure; Civil Money Penalty Inflation Adjustment Final Rule	86 FR 7493; 12 CFR Parts 1209, 1217, and 1250	January 29	Amends FHFA's Rules of Practice and Procedure and other agency regulations to adjust each civil money penalty within its jurisdiction to account for inflation, pursuant to the Federal Civil Penalties Inflation Adjustment Act of 1990, as amended by the Federal Civil Penalties Inflation Adjustment Act Improvements Act of 2015. The final rule was applicable as of January 15, 2021.

Regulatory Interpretations: Federal Home Loan Banks			
Rule/Regulation Title	Reference	Date (2021)	Description/Explanation/Comments
Eligibility of Mortgage Loan Participations as Collateral for Federal Home Loan Bank Advances	2021-RI-01	October 4	Establishes that mortgage loan participations must satisfy the requirements for "other real estate related" (ORER) collateral under FHFA's advances regulation, 12 CFR part 1266, to qualify as collateral eligible to secure advances. A real estate-related asset may qualify as eligible ORER collateral only if the FHLBank can perfect a security interest in the asset and it has a readily ascertainable value, can be reliably discounted to account for liquidation and other risks, and can be liquidated in due course.

Policy Guidance: Regulated Entities and the Office of Finance			
Policy Subject	**Reference**	**Date (2021)**	**Description/Explanation/Comments**
Advisory Bulletin on Enterprise Fair Lending and Fair Housing Compliance	AB 2021-04	December 20	Communicates to the Enterprises FHFA's supervisory expectations and guidance on fair lending and fair housing compliance.
Advisory Bulletin on Framework for Adversely Classifying Loans, Other Real Estate Owned, and Other Assets and Listing Assets for Special Mention	AB 2021-03	August 25	Communicates to the regulated entities FHFA's guidelines for adverse and non-adverse classification of assets. The guidelines describe sound practices for managing credit risk at the regulated entities. The Advisory Bulletin establishes a standard and uniform methodology for classifying regulated entity assets based on their credit quality and affirms the basis for writing off loans classified as Loss.
Advisory Bulletin on Agency Commercial Mortgage-Backed Securities Risk Management	AB 2021-02	August 16	Communicates FHFA's guidance to the FHLBanks regarding the FHLBanks' investments in Agency Commercial Mortgage-Backed Securities (CMBS) issued and guaranteed by either the U.S. Government (Ginnie Mae) or by one of the Enterprises. The guidance recommends risk management practices, including the establishment of certain limits, to address the risks associated with unexpected prepayments of Agency CMBS investments.
Advisory Bulletin on Board Diversity Data Collection	AB 2021-01	March 17	Communicates FHFA's guidance to the FHLBanks and the FHLBanks' Office of Finance (OF) on standards for data collection relating to the diversity of boards of directors of each FHLBank and the OF. The AB outlines the expectations set by FHFA's Office of Minority and Women Inclusion (OMWI) regarding the content and frequency of data reporting on the demographic makeup of the boards of directors.

Regulatory Orders			
Subject	**Reference**	**Date (2021)**	**Description/Explanation/Comments**
Rescission of Regulatory Waiver 2020-W-1 (DFAST)	2021-OR-FNMA-3; and 2021-OR-FHLMC-3	August 12	This Order rescinds 2020-W-I (DFAST) and orders that a summary of each Enterprise's 2020 stress test results shall be published at the time each Enterprise's 2021 DFAST results summary is published, not later than August 15, 2021.
Fair Lending Compliance and Report Submission by Freddie Mac	2021-OR-FHLMC-2	July 1	This Order responds to the compliance requirements of the Fair Housing Act (42 U.S.C. 3601, et seq.), the Equal Credit Opportunity Act (15 U.S.C. 1691), and the Safety and Soundness Act (12 U.S.C. 4545), to require Freddie Mac to comply with those laws, submit to FHFA timely and regular information with respect to fair lending performance, and to ensure that the purposes of those laws are carried out.
Fair Lending Compliance and Report Submission by Fannie Mae	2021-OR-FNMA-2	July 1	This Order responds to the compliance requirements of the Fair Housing Act (42 U.S.C. 3601, et seq.), the Equal Credit Opportunity Act (15 U.S.C. 1691), and the Safety and Soundness Act (12 U.S.C. 4545), to require Fannie Mae to comply with those laws, submit to FHFA timely and regular information with respect to fair lending performance, and to ensure that the purposes of those laws are carried out.
Designation of Federal Home Loan Bank Directorships for 2022	2021-OR-B-1	June 2	The Director is required by statute to establish annually the size and composition of the board of directors of each FHLBank for the following year. This Director's Order maintains the current size and composition of the boards of directors of the FHLBanks for 2022.

CONSERVATORSHIPS OF THE ENTERPRISES

In This Chapter

Managing the Conservatorships

The Federal Housing Finance Agency (FHFA) periodically releases a Strategic Plan for the Conservatorships of Fannie Mae and Freddie Mac (the Enterprises) that establishes a multi-year framework for how FHFA, as conservator and in accordance with its statutory mandates, intends to guide the Enterprises while they remain in conservatorships. In addition, FHFA releases an annual Scorecard that sets forth the Agency's tactical priorities and aligns activities of the Enterprises and Common Securitization Solutions, LLC (CSS) to those priorities and to the Strategic Plan. The Scorecard is an essential tool in holding the Enterprises accountable for the Strategic Plan's effective implementation. On October 28, 2019, FHFA released *The 2019 Strategic Plan for the Conservatorships of Fannie Mae and Freddie Mac*. On February 16, 2021, FHFA released the *Scorecard for the Enterprises and Common Securitization Solutions* for calendar year 2021. FHFA developed both documents under then Director Mark Calabria, whose term in office ended on June 23, 2021. However, the Strategic Plan remained in effect throughout 2021, the year covered by this report, as did the Scorecard (2021 Scorecard), albeit with modifications to reflect changes in FHFA priorities. Accordingly, this section highlights actions taken in 2021 by the Enterprises and FHFA that align with the three strategic goals in the 2021 Scorecard, as modified.

Foster Competitive, Liquid, Efficient, And Resilient National Housing Finance Markets

The first strategic goal of the 2021 Scorecard was to foster national housing finance markets that protect taxpayers, promote liquidity through the cycle, and support sustainable homeownership and affordable rental housing, while ensuring the Enterprises fulfill all statutory mandates. This strategic goal reflects FHFA's expectation that the Enterprises will efficiently and effectively operate their single-family and multifamily business activities in a manner that supports safety and soundness, market liquidity, and access to credit. Within this strategic goal, FHFA established the following specific objectives, each discussed further below, to guide the work of the Enterprises:

- Fulfill the Enterprises' Housing Goals and Duty to Serve plans by offering sustainable mortgage programs and conducting effective outreach.
- Carefully monitor and maintain UMBS cash flow alignment and take such further steps as necessary to ensure a well-functioning To-Be-Announced (TBA) securitization market.
- Successfully continue to implement key on-going initiatives, including
  - COVID-19 Market Actions – Continue to respond as appropriate to mortgage market needs related to COVID-19.
  - Multifamily Caps – Manage to the multifamily cap requirements described in Appendix A of the Scorecard.
  - Credit Score Rule – Continue implementation of the final Credit Score Rule with adherence to the regulation's requirements in a timely and effective manner.
  - Collateral Evaluation RFI Process – Continue to support FHFA's assessment of the collateral evaluation process, including alternative appraisal approaches and supporting technology.
  - LIBOR Transition – Continue to ensure that there is an effective transition from LIBOR to approved alternative reference rates by announcing plans and milestones to transition legacy LIBOR products.
- Support strategies that enhance a level playing field for a wide range of mortgage market participants.
- Assess opportunities and seek stakeholder feedback to support and encourage state and local policies that enable the housing market to function more efficiently.
- Monitor risks and exposures to the Enterprises' books of business from natural disasters.

Housing Goals and Duty to Serve

Certain Enterprises' affordable housing goals and Duty to Serve activities are required by statute. The 2021 Scorecard included reporting and other operational requirements for both programs. (Information describing each Enterprise's performance of these activities can be found starting on page 31 of this *Report*.)

Uniform Mortgage-Backed Security (UMBS)

The Enterprises continued their recurring reporting to FHFA. In turn, FHFA continued to monitor cash flow alignment between the Enterprises' UMBS and reviewed proposed pooling changes for potential risks to the alignment of prepayment speeds that could threaten UMBS market functioning. The Enterprises also began reporting additional seller- and servicer-specific prepayment information to FHFA that standardizes the Enterprises' measurement, monitoring, and reporting of prepayment activity. The information is based on a new framework, developed by the Enterprises with FHFA input, that provides greater transparency to FHFA and market participants on variations in prepayment speeds across sellers and servicers. The additional information was designed to improve investor confidence in the fungibility of UMBS issued by the two Enterprises and should provide additional insights if the Enterprises' pooling activities diverge. The Enterprises are also working to improve existing security-level investor disclosures.

Key On-Going Initiatives: COVID-19 Market Actions

The Enterprises continued responding to mortgage market needs resulting from the COVID-19 pandemic. In 2021, the Enterprises updated their coordinated temporary COVID-19 selling and servicing related flexibilities and requirements, which were focused on preserving mortgage market liquidity, home retention, and risk management. As business operations began to normalize and macroeconomic indicators started improving, the Enterprises retired or made permanent certain temporary COVID-19 selling flexibilities and requirements. For example, power of attorney enhancements and desktop appraisals have been incorporated into the Enterprises' selling guides as permanent policy. Various other items have been retired, including flexibilities for verbal verification of employment, documentation of assets, and age of documents. Finally, the adverse market refinance fee was eliminated.

In 2021, the Enterprises also adjusted their coordinated temporary COVID-19 servicing flexibilities with a focus on loss mitigation. In February 2021, the Enterprises published updates to COVID-19 forbearance programs, allowing certain eligible borrowers to receive COVID-19 forbearance and payment deferral terms up to 18 months. In June 2021, the Enterprises updated aligned temporary COVID-19 flex modification policies, allowing certain eligible borrowers the opportunity for an interest rate reduction regardless of a mortgage loan's mark-to-market loan-to-value ratio (MTMLTV). This adjustment allows more homeowners the possibility of meaningful payment relief.

The Enterprises' temporary COVID-19 servicing flexibilities remain in place until further notice and complement existing and similar aligned loss mitigation practices. At year-end 2021, a majority of the combined 2.2 million Enterprise COVID-19 forbearance actions had been resolved through reinstatement, COVID-19 payment deferral, or loan payoffs, which include both loan refinancings and home sales. Most borrowers who received COVID-19 forbearance have resolved their hardship through self-cure or permanent loss mitigation solution, such as COVID-19 payment deferral. As of year-end 2021, approximately 176,000 borrowers remained in active COVID-19 forbearance. In addition, FHFA and the Enterprises continued to support servicer liquidity by limiting a servicer's obligation to advance to investors scheduled principal and interest payments on loans in forbearance to four months. The Enterprises, under FHFA's guidance, will continue to monitor impacts of the COVID-19 pandemic, updating the temporary flexibilities or requirements as needed.

Key On-Going Initiatives: Multifamily Caps

Beginning in 2015, FHFA, as conservator of the Enterprises, has set a yearly cap in the Conservatorship Scorecard that limits the amount of multifamily loans that each Enterprise can purchase. The multifamily cap furthers FHFA's conservatorship goals of maintaining the presence of the Enterprises as a backstop for the multifamily finance market and supporting financing for affordable and underserved markets, while not impeding the participation of private capital. By managing to the multifamily caps, the Enterprises help maintain stability in the multifamily market and provide liquidity for mission-driven housing.

On November 17, 2020, FHFA announced a cap of $70 billion for each Enterprise, a combined total of $140 billion, for calendar year 2021. To ensure a focus on affordable housing and underserved markets, FHFA directed that at least 50 percent of each Enterprises' multifamily loan purchases be mission-driven and at least 20 percent be affordable to tenants at 60 percent of area median income (AMI) or below.

In the 2021 Conservatorship Scorecard, mission-driven affordable housing is generally defined as housing affordable for residents at 80 percent of AMI or below, with special provisions for rural housing and manufactured housing communities. For rural housing, a loan is mission-driven if the property is in a Duty to Serve (DTS) designated rural area and affordable to residents at 100 percent of AMI or below. For manufactured housing communities, a loan is mission-driven if it is eligible for credit under the DTS regulation.

Each Enterprise remained below the $70 billion multifamily cap for 2021, at $69.5 billion and $70 billion for Fannie Mae and Freddie Mac, respectively. In addition, each Enterprise surpassed the minimum requirements of at least 50 percent mission-driven and 20 percent affordable shares of multifamily acquisitions. Figure 26 provides further information on each Enterprise's multifamily activity, including mission-driven activities.

Figure 26: Enterprise Multifamily Activity in 2021

	Fannie Mae		Freddie Mac	
	$ Billion	Percent	$ Billion	Percent
Total non-mission volume	$29.8	42.8%	$30.3	43.2%
Total mission-driven volume[1]	$39.7	57.2%	$39.7	56.8%
Total mission-driven volume @ 60% AMI[2]	$15.2	23.0%	$17.7	25.8%
Loans on manufactured housing communities	$1.0	1.5%	$0.8	1.1%
Financing for targeted affordable housing properties	$9.2	13.2%	$7.6	10.8%
Loans on small multifamily properties	$1.4	2.0%	$3.0	4.3%
Loans on properties located in rural areas	$1.9	2.7%	$1.3	1.9%
Loans on seniors housing	$0.4	0.6%	$0.5	0.7%
Loans on units affordable to those @ 80% AMI	$33.1	47.7%	$37.8	53.9%

Source: Fannie Mae and Freddie Mac

1 For more information on mission-driven categories, see the *2021 Scorecard, Appendix A: Multifamily Definitions*: https://www.fhfa.gov/Media/PublicAffairs/PublicAffairsDocuments/2021-Appendix-A.pdf. Dollar amounts and percentages of the loans in the mission-driven categories do not add to the totals for all mission-driven loans because some loans qualify under more than one category. Such double counting is not included in the "Total mission-driven volume." In addition, some loans only partially qualify for mission-driven for some categories. Only the qualifying portion of a loan is included in the total for each category. If the loan qualifies for mission-driven under more than one category, the greatest portion of the loan that qualifies for any category is included in the "Total mission-driven volume."

2 Loan purchases that meet the mission-driven volume @ 60% of AMI requirement may also meet the mission-driven volume requirement.

Key On-Going Initiatives: Credit Score Rule

On August 16, 2019, FHFA published a final rule on the validation and approval of third-party credit score models that can be used by the Enterprises.[37] The rule implements the requirements in Section 310 of the Economic Growth, Regulatory Relief, and Consumer Protection Act enacted on May 24, 2018 (the Act). The regulation requires a four-phase process for the validation and approval of credit score models:

1. Solicitation of applications from credit score model developers;
2. Submission and initial review of submitted applications;
3. Credit score assessment; and
4. Enterprise business assessment.

The rule became effective 60 days after publication in the Federal Register, after which the Enterprises submitted a Joint Credit Score Solicitation to FHFA for its review and approval. On February 18, 2020, FHFA announced the Enterprises had made publicly available a Joint-Enterprise Credit Score Solicitation, which describes the process for credit score model developers to submit applications to the Enterprises.[38] The Enterprises began accepting applications on May 18, 2020. The application period was open for 120 days and ended on September 15, 2020. The Enterprises received several applications.

On November 10, 2020, FHFA announced, in accordance with the rule, the validation and approval of the Classic FICO credit score model for use by the Enterprises, which allowed them to continue supporting the mortgage market, while assessing the applications from credit score model developers that were submitted in response to the 2020 Joint Enterprise Credit Score Solicitation.[39]

In January 2021, the Enterprises began the credit score assessment phase of the validation process, evaluating each credit score for accuracy, reliability, and integrity outside of the Enterprise's business systems. The Enterprises completed that phase on April 30, 2021 and notified the respective applicants about the outcome of their credit score assessment.

On May 28, 2021, the Enterprises commenced their business assessments of the credit score models in conjunction with the Enterprises' business systems that condition the purchase of a mortgage loan on a borrower's credit score. The Enterprises submitted their respective business assessments and proposed recommendations on the credit score models evaluated within the timeframes required by the rule.

FHFA is currently evaluating the Enterprises recommendations. FHFA also conducted its own internal assessment of the impact of a change in credit scores and is analyzing stakeholder feedback provided during a listening session held on March 1, 2022.

Key On-Going Initiatives: Collateral Evaluation RFI Process

The purpose of the appraisal-related work is to strengthen and improve data quality, consistency, and analysis in support of effective risk management and process efficiency. This work includes looking at collateral valuation alternatives to a traditional appraisal, enhancing the uniform appraisal dataset, and updating the uniform residential appraisal report.

On December 28, 2020, FHFA released a request for input (RFI) on appraisal-related policies, practices, and processes, with a 60-day response period ending on February 26, 2021. A total of 181 respondents, including the Enterprises, lenders, trade associations, appraisal management companies, appraisers, and technology vendors provided input. RFI respondents strongly supported the need for a more modern appraisal process, including a wide range of property valuation alternatives.

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[37] **84 FR 41886 (Aug. 16, 2019). 12 CFR Part 1254**.

[38] Fannie Mae and Freddie Mac Publish Joint Enterprise Credit Score Solicitation, *available at* **https://www.fhfa.gov/Media/PublicAffairs/Pages/Fannie-Mae-and-Freddie-Mac-Publish-Joint-Enterprise-Credit-Score-Solicitation.aspx**.

[39] FHFA Announces Validation of Classic FICO for Use by Fannie Mae and Freddie Mac, *available at* **https://www.fhfa.gov/Media/PublicAffairs/Pages/FHFA-Announces-Validation-of-Classic-FICO-for-Use-by-Fannie-Mae-and-Freddie-Mac.aspx**. The Act stipulated a November 20, 2020 deadline for the Enterprises to use a validated and approved credit score model.

Throughout 2021, the Enterprises continued work on the appraisal policy and process modernization initiative with the goal of improved data quality, consistency, and analysis in support of effective risk management and process efficiency. This work included testing of new data standards, technologies, and processes to modernize residential appraisal practices as well as engagement with industry stakeholders, including appraisers, software providers, insurance companies, appraisal management companies, inspection companies, mortgage insurers, and industry trade groups.

In October 2021, FHFA announced the Enterprises would implement the use of desktop appraisals for certain eligible purchase loans as permanent policy guidance.[40] On December 17, 2021, FHFA authorized the use of desktop appraisals for certain eligible purchase transactions. In January 2022, leveraging lessons learned from the temporary desktop appraisal policies in place during COVID-19, the Enterprises announced an aligned permanent policy in their selling guides for desktop appraisals.

Appraisal modernization remains a priority on the Enterprises' Scorecard for 2022. The Enterprises continue to pilot collateral valuation alternatives to traditional appraisals, including hybrid appraisals and inspection-based waivers, as well as efforts to update the uniform appraisal dataset and uniform residential appraisal forms.

Key On-Going Initiatives: LIBOR Transition

The Enterprises continued to work with FHFA to transition away from reliance on LIBOR and LIBOR-based products. The Enterprises' efforts prepare them for a prudent transition away from LIBOR in advance of LIBOR discontinuation, currently scheduled for June 30, 2023.

During 2021, the Enterprises worked with FHFA to develop plans to transition from LIBOR derivatives activity to alternative derivatives, having transitioned away from LIBOR-based debt, single-family and multifamily adjustable-rate mortgages (ARMs), collateralized mortgage rate obligations, and credit risk transfers (CRT) during 2020. The Enterprises also prepared legacy LIBOR transition plans describing expected timelines, assumptions, and dependencies for transitioning certain existing legacy LIBOR products.

The Enterprises have helped educate market participants. Fannie Mae and Freddie Mac updated their LIBOR transition websites to provide resources for existing refinance options that borrowers could consider for refinancing existing single-family LIBOR ARMS consumers, as well as links to the Consumer Finance Protection Bureau (CFPB) website. The Enterprises have regularly updated their jointly produced "Playbook" describing the steps they were planning to take in the transition away from LIBOR and "Frequently Asked Questions."[41]

FHFA worked with the regulated entities to ensure their preparedness for the discontinuation of LIBOR. The Enterprises share quarterly data with FHFA measuring changes in exposures to LIBOR through the LIBOR cessation date. FHFA continued to ensure that transition efforts would be prioritized across the Agency. FHFA reviewed the regulated entities' LIBOR exposures quarterly and reviewed their evaluation of provisions in existing LIBOR contracts. FHFA also regularly reviewed the Enterprises' transition documents, including updates on plans and milestones to the Playbook and FAQs, to ensure the Enterprises transition away from LIBOR in a safe and sound manner.

In 2022, the Enterprises will determine fallback reference rates for all existing legacy LIBOR products without fallback language recommended by the Alternative Reference Rates Committee (ARRC)[42] in the contract language and will work to be operationally ready to transition existing legacy LIBOR contracts to alternative rates.

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[40] FHFA Announces Two Measures Advancing Housing Sustainability and Affordability, *available at* **https://www.fhfa.gov/Media/PublicAffairs/Pages/FHFA-Announces-Two-Measures-Advancing-Housing-Sustainability-and-Affordability.aspx**.

[41] These documents are available on Enterprise transition websites at **https://capitalmarkets.fanniemae.com/libor-transition** and **https://www.freddiemac.com/about/reference-rates-transition**.

[42] The Alternative Reference Rates Committee (ARRC) is a group of private-market participants convened by the Federal Reserve Board and the New York Fed to help ensure a successful transition from U.S. dollar (USD) LIBOR to a more robust reference rate, its recommended alternative, the Secured Overnight Financing Rate (SOFR).

Support Strategies that Enhance a Level Playing Field for a Wide Range of Mortgage Market Participants

In 2021, each Enterprise continued the development a method to the compare prices paid for acquired single-family mortgages, which they acquire through two distinct channels: the cash channel through which mortgages are acquired in cash transactions and the swap channel through which mortgages are acquired in exchange for Enterprise MBS. These methods will provide the capability to compare prices an Enterprise paid both within channels and between channels to ensure a level playing field between individual sellers and between seller size groupings. As a next step, the Enterprises will develop reporting to allow FHFA to understand the how pricing compares among sellers and seller size groupings.

The information being developed will enable FHFA to evaluate the prices paid to different lenders for loans acquired in both the cash and swap channels to confirm that larger lenders are not being provided higher prices, which could result in market share increases.

Efficient Operation of State and Local Housing Markets

Each Enterprise submitted a report to FHFA discussing their efforts to improve the efficiency of state and local housing markets. Fannie Mae's report focused on manufactured housing (MH) education, outreach, and expanded eligibility for single-wide MH; accessory dwelling unit pilots to inform policy; and work with community land trusts to create and preserve affordable long-term housing for low- to moderate-income individuals. Freddie Mac's report discussed efforts to expand remote online notarization, efforts to assist certain community land banks, and concerns about certain state-level legislation.

Natural Disaster and Climate Change Risk Assessment

The Enterprises sought to better understand their exposures to climate and natural disaster risks in 2021, holding regular meetings with FHFA. In 2021, the Enterprises developed initial analyses to better understand the effects of climate and natural disaster risk on housing finance and will publish these in 2022.

In addition, in late 2021 and early 2022, Fannie Mae and Freddie Mac released their inaugural Sustainability Accounting Standards Board (SASB) Reports, which included voluntarily reported metrics on environmental, social, and governance factors.

Diversity and Inclusion

While Diversity and Inclusion (D&I) does not appear in the 2021 Scorecard as a distinct line item, it remained an important consideration for FHFA evaluation of Enterprise and CSS performance across Scorecard projects.[43] A summary of D&I activities is included starting on page 46 of this report.

Ensure Safety and Soundness

The second strategic goal of the 2021 Scorecard was to ensure Enterprise safety and soundness by operating all aspects of the business in a safe and sound manner given limited capital cushions, with a prudent risk profile, and heightened risk management appropriate for conservatorship. These efforts were to include:

- Developing appropriate Enterprise risk limits to ensure risk and complexity are reduced to levels more appropriate for regulated entities with limited capital cushions. (suspended)
- Implementing capital management and capital planning capabilities that transition away from the existing Conservatorship Capital Framework to the Enterprise Regulatory Capital Framework (ERCF).
- Work with FHFA to develop contingency plans that could be deployed as needed under FHFA direction.
- Continuing to transfer credit risk to private markets in a commercially reasonable and safe and sound manner, including actively pursuing sales of less liquid assets such as non-performing loans and re-performing loans.
- Continuing mortgage selling, servicing, and asset management efforts that promote stability and readiness for continued COVID-19 stress and the potential for more challenging market conditions.
- Increasing focus on core Enterprise operational and technology management to ensure stability, resiliency, efficiency, and risk reduction.

Capital Management and Planning

As the Enterprises continue to retain and build capital, capital planning provides the critical long-term framework for the Enterprises to manage their financial resources. This framework includes strategies to reach capital adequacy, while incorporating and aggregating other relevant factors from across the Enterprises' business such as pricing and CRT issuance.

Each Enterprise submitted a capital plan to FHFA on September 30, 2021 intended to support compliance with the ERCF, including efforts to build, maintain, and monitor capital adequacy. The elements of the Enterprises' capital plans included:

- Assessment of the expected sources and uses of capital, by projecting revenue, expenses, losses, loan loss reserves, earnings, and capital;
- Description of planned capital actions over the planning horizon that identify actions management will take to enable an Enterprise to achieve and maintain regulatory capital requirements specified in the ERCF;
- Principles and guidelines used for capital planning, issuance, usage, and distributions; and
- Discussion of any expected changes to the Enterprises' business plan that are likely to have a material impact on capital adequacy or liquidity.

FHFA reviewed the capital plans and provided feedback to the Enterprises, including enhancements required to future capital plans submissions related to capital generation and regulatory capital metrics.

[43] The overarching criteria for evaluating Scorecard performance can be found on page 6 of the 2021 Scorecard.

FHFA is actively engaging with the Enterprises in preparation for their 2022 capital plan submissions. Furthermore, in June 2022, FHFA finalized a rule related to capital planning to enhance the capital planning process.

Contingency Planning

The 2021 Scorecard required each Enterprise to begin developing a plan for its own resolution. In May 2021, FHFA published a final rule that requires the Enterprises to develop such plans. Under the Scorecard, each Enterprise made progress developing elements required of those plans. Contingency planning will continue in 2022 and will remain primarily focused on the Enterprises developing resolution plans to submit in April 2023 as required by the rule.

Risk Transfer

Risk transfer activity under the 2021 Scorecard focused on sales of less liquid assets, specifically nonperforming (NPLs) and reperforming loans (RPLs).[44] Both Enterprises sold such loans during calendar year 2021. The Enterprises completed auctions of RPLs representing over $18 billion in unpaid principal balance (UPB) through both structured and whole loan sales. They also completed auctions of NPLs representing over $4 billion in seriously delinquent UPB. The NPLs were sold as whole loans in large national pools and geographically concentrated smaller pools.

To facilitate these sales, the Enterprises continue to post details of NPL and RPL auctions on their public websites, including notices of upcoming sales and sale results. Additionally, the Enterprises offer training to potential bidders to encourage participation in RPL and NPL auctions. The Enterprises provide FHFA updates on market conditions, execution levels, and potential changes to the NPL and RPL sales programs, and submitted data for semi-annual NPL sales reports based on FHFA reporting templates.

NPL and RPL sales reduce the numbers of delinquent loans and of loans with irregular payments in the Enterprises' portfolios. These sales transfer credit risk to the private sector. FHFA and the Enterprises impose requirements on NPL buyers designed to achieve more favorable outcomes for borrowers than foreclosure. Data collected and submitted by the Enterprises continue to show higher non-foreclosure outcomes for borrowers included in NPL sales. In addition, the Enterprises worked with FHFA to incorporate COVID-19 pandemic borrower protections into the NPL and RPL sales requirements. Such protections include incorporation of foreclosure or eviction moratoriums related to the COVID-19 pandemic applicable to single-family mortgage loans that are owned or securitized by the Enterprises, including any future extensions, as well as additional efforts to prioritize owner-occupant buyers when loss mitigation results in foreclosure.

Mortgage Selling and Servicing

Important mortgage selling and servicing activities conducted under the 2021 Scorecard included:

- Enterprise assistance to FHFA in updating Seller/Servicer Eligibility Requirements
- Assessment of counterparty risk management controls and requirements
- Collaboration with FHFA, the Mortgage Industry Standards Maintenance Organization (MISMO), and the Consumer Financial Protection Bureau (CFPB) under the Servicing Transfers Development Work Group (DWG), to further data standardization efforts

In addition, the Enterprises were asked to assess the readiness and capability of servicers and the appropriateness of servicing policies and processes in anticipation of activity in 2022. The Enterprises also assess and mitigate any material adverse risk impacts from COVID-19 selling or servicing flexibilities. This last activity was merged into Key On-going Initiatives under Strategic Goal #1, which is discussed above.

[44] RPLs are mortgage loans that were seriously delinquent, but payments made on the mortgages have brought the loans to a sub-performing or performing status with or without the use of an Enterprise loan modification plan.

Seller/Servicer Eligibility Requirements. Even with the 2015 Eligibility Requirements in place, FHFA and the Enterprises are continually focused on mitigating the risk presented by the Enterprises' non-depository counterparties. FHFA proposed Servicer Eligibility 2.0 requirements for public input on January 31, 2020 ("2020 Proposal").[45] FHFA intended the 2020 Proposal to strengthen the Enterprises' Seller/Servicer Eligibility Requirements and provide transparency and consistency of capital and liquidity required for non-depository seller/servicers. As a result of the global COVID-19 pandemic, FHFA announced on June 15, 2020 that it would reassess and repropose the minimum financial eligibility requirements considering lessons learned from market events in reaction to the pandemic.

FHFA worked closely with the Enterprises throughout 2021 to conduct additional analysis and adjust the proposed requirements based on lessons learned, which include the:

- Effect of higher delinquencies and costs associated with servicing mortgage loans, exposing the Enterprises to increased levels of counterparty risk;
- Need to cover seller risk stemming from liquidity challenges;
- Importance of higher requirements for large non-depository servicers that are important to the mortgage servicing system and that hold a substantial portion of Enterprise servicing; and
- Need to differentiate servicer liquidity requirements based on differences in remittance type.[46]

On February 24, 2022, FHFA reproposed minimum financial eligibility requirements for the Enterprises' seller/servicers.[47, 48] This update will strengthen, and provide transparency and consistency of, required capital and liquidity for seller/servicers with different business models. The Enterprises must consider risk exposure from their contractual relationships with seller/servicers and assess, monitor, and take appropriate actions to address the risks to which they are exposed in their business relationships with third parties.

FHFA and the Enterprises will engage with servicing industry participants, regulators, and other stakeholders to obtain their feedback in finalizing the requirements in the third quarter of 2022. Most of the requirements will be effective at least six months after they are finalized, and some will be phased in over longer periods.

Counterparty risk management controls and requirements. Counterparty risk management is essential to ensure the safety and soundness of the Enterprises' multifamily and single-family activities. With respect to the multifamily counterparty risk management, the main goal was to implement changes to the multifamily section of the Mortgage Bankers Financial Reporting Form (MBFRF).[49] The 2021 improvements to the MBFRF allow the Enterprises to gather more granular information on the activities of multifamily lenders. This information improves Fannie Mae's and Freddie Mac's visibility into multifamily counterparties and supports their management of multifamily risk.

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[45] Federal Housing Finance Agency (January 31, 2020). *FHFA Proposes Updated Minimum Financial Eligibility Requirements for Fannie Mae and Freddie Mac Seller/Servicers, available at* **https://www.fhfa.gov/Media/PublicAffairs/Pages/FHFA-Proposes-Minimum-Financial-Eligibility-Requirements-for-Fannie-Mae-and-Freddie-Mac-SellerServicers.aspx**.

[46] Enterprise seller/servicers typically contract to remit principal and interest payments to the investor under one of three approaches—actual interest/actual principal, scheduled interest/actual principal, and scheduled interest/scheduled principal. From an advancing perspective, "actual/actual" remittance imposes the lowest liquidity demand on a seller/servicer because there is no obligation to advance missed (or missed portions of) payments of principal or interest to investors. Seller/servicers that remit payments on a "scheduled/actual" or "scheduled/scheduled" basis have increasingly higher liquidity needs compared to "actual/actual" remittance, as they must meet advance obligations on principal and/or interest regardless of whether or not payments are received from borrowers.

[47] Press Release: FHFA Re-Proposes Updated Eligibility Requirements for Enterprise Single-Family Seller/Servicers, *available at:* **https://www.fhfa.gov/Media/PublicAffairs/Pages/FHFA-Re-Proposes-Updated-Eligibility-Requirements-for-Enterprise-Single-Family-Seller-Servicers.aspx**.

[48] Description Document: **https://www.fhfa.gov/Media/PublicAffairs/Documents/SE2-Proposal-FAQ.pdf**.

[49] The MBFRF is used to report financial information quarterly to the Enterprises by any Enterprise-approved mortgage lender that is not a federally supervised depository institution (commercial bank, savings bank, savings and loan, or credit union).

With respect to single-family counterparty risk management, the Enterprises worked with the other MBFRF consortium members to improve the quality and type of data submitted by non-depository institutions through quarterly MBFRF data filings.[50] A major improvement was requiring an attestation by senior non-depository executives that the data being provided was accurate. Other improvements included the addition of data that will allow for improved counterparty risk monitoring.

FHFA and the Enterprises expect that the attestation will result in more accurate data. In addition, the new data fields facilitate improvements in counterparty risk monitoring. This includes identifying data needed for Servicer Eligibility 2.0 to conduct impact analysis and monitor eligibility compliance.

Data standardization efforts. Common and consistent data standards help maintain continuity of servicer operations, including foreclosure prevention activities, and minimize adverse effects on borrowers due to errors during servicing transfers. The Enterprises continued to support the MISMO Servicing Transfers Development Work Group (DWG), which is an industry-led effort to create a standardized servicing transfer dataset and best practices for the transfer process. The DWG includes mortgage servicers, technology vendors, other industry vendors, as well as the Enterprises, FHFA, CFPB, and other interested parties.

The Enterprises' participation allows them to provide insights on transfer requirements specific to Enterprise loans, including data that need to be transferred to maintain servicing continuity for Enterprise loans. In 2022, the Enterprises will continue to support the DWG.

Core Operations and Technology

FHFA maintains ongoing monitoring with the Enterprises to ensure that their business resiliency, data management, and information security programs adequately address safety and soundness concerns. In 2021, Fannie Mae and Freddie Mac continued to implement leading-edge technologies to protect the security and confidentiality of sensitive information and to respond to emerging cybersecurity threats. FHFA's key objectives in this area have included ensuring that remediation programs are adequately funded and that any gaps or identified control weaknesses are remediated in a timely manner.

[50] MBFRF consortium members include Fannie Mae, Freddie Mac, Ginnie Mae, and the Mortgage Bankers Association.

In 2021, Fannie Mae and Freddie Mac took significant steps to improve their business resiliency and technical recovery capabilities. Both Enterprises have established crisis management and incident response programs to respond to major operational or technical incidents, with tests conducted throughout the year to measure performance against recovery time and recovery point objectives. In addition to these capabilities, the Enterprises have established multi-year plans for modernizing their mission-critical infrastructure, with a specific focus on systems that are essential for providing liquidity to the mortgage market.

The Enterprises also provided guidance to CSS for Common Securitization Platform (CSP) operations. The Enterprises also requested and supported three initiatives for CSP development: the Tax Investor Portal for both Enterprises, the Transfer Agent service for Fannie Mae, and REMIC model optimization for Freddie Mac. Those initiatives will lower costs to the Enterprises.

Strengthening the Enterprises' Financial Condition

The *FHFA Strategic Plan: Fiscal Year 2022-2026*[51] states that as conservator, FHFA is focused on ensuring that each Enterprise builds capital and improves its safety and soundness. FHFA is also takting additional steps beyond building capital to ensure that the issues that led to the financial crisis will not recur. These steps include prioritizing the transfer of risk to private market participants, enhancing operational resiliency, strengthening governance and infrastructure, addressing human capital needs to build a deep reservoir of talent and experience, improving the Enterprises' transparency, strengthening underwriting, and reviewing pricing and credit policies. FHFA's priority and responsibility in the interim is to focus on the safety and soundness and mission requirements of both Enterprises.

[51] *Available at* **https://www.fhfa.gov/AboutUs/Reports/ReportDocuments/FHFA_StrategicPlan_2022-2026_Final.pdf**.

Common Securitization Platform Strategy

Starting in early 2020, FHFA explored expanding the role of CSS to serve a broader market. In 2021, the Enterprises and CSS delivered a pricing proposal. After an extensive review, FHFA determined that CSS should focus on maintaining the resiliency of the Enterprises' mortgage-backed securities platform to support the safety and soundness of the housing finance market and reduce unnecessary expenses as the Enterprises rebuild capital.

Address Identified Areas in Need of Improvement

Timely remediation of MRAs is critical to improving the safety and soundness of Fannie Mae and Freddie Mac. During 2021, Fannie Mae and Freddie Mac remediated 90 percent of FHFA-identified matters requiring attention (MRAs) by their due dates or had submitted an extension request within the appropriate timeframe.

Fair Lending

The Enterprises continued to strengthen their ability to comply with fair lending requirements by performing fair lending risk assessments, conducting regular monitoring of applications, acquisitions, and loss mitigation data, conducting targeted fair lending testing, and implementing enhanced procedures to ensure strong internal controls. (See page 44 of this *Report* for additional detail on fair lending activities.)

Other Conservatorship Activities

Board of Directors

As conservator, FHFA reviews the appointment of new directors serving on the board of directors of each Enterprise. In 2021, FHFA reviewed and approved the election of CEO Michael DeVito and Alberto Musalem to serve on Freddie Mac's board of directors, leaving the board with 12 members as of year-end 2021.

During 2021, FHFA reviewed and approved the election of Simon Johnson and Chris Brummer to serve on Fannie Mae's board of directors, leaving the board with 12 members as of year-end 2021. Chair Sheila Bair announced her resignation from the board in April 2022, and board member Mike Heid was appointed to the Chair by the board with FHFA approval.

Management

FHFA, as conservator, worked closely with Freddie Mac in its selection to replace its CEO, whose resignation was effective in 2021. In May 2021, Freddie Mac appointed Michael DeVito as the new Freddie Mac CEO.

FHFA, as conservator, also worked closely with Fannie Mae to ensure continuity following the announcement that CEO Hugh Frater would resign from Fannie Mae in the first half of 2022. Fannie Mae selected its president, Dave Benson, to serve as Interim CEO in addition to his duties as president until a permanent CEO is hired.

Enterprise Compensation

No material changes were made to the Enterprises' Executive Compensation Plans in 2021. FHFA continues to require the Enterprises to limit base salaries for all employees to $600,000, submit for Agency approval any proposed increase in compensation for an employee or any new hire's compensation if the target total direct compensation equals or exceeds $600,000 and defer at-risk compensation earned by executive officers for two years. Compensation for the Enterprises' CEOs is maintained at the statutory limit[52] and FHFA reviews compensation of other Enterprise executive officers to ensure that it is "reasonable and comparable" with compensation for employment in other similar businesses involving similar duties and responsibilities. FHFA continues to closely examine all compensation requests by the Enterprises and maintains an active dialogue with each Enterprise about current and future compensation actions.

[52] *See* 12 U.S.C. § 4518 note. The Equity in Government Compensation Act of 2015 effectively limits the annual direct compensation for the CEOs of Fannie Mae and Freddie Mac to no more than $600,000 in base salary. The law also provides that compensation and benefits for the CEOs may not be increased while the Enterprises are in conservatorship or receivership.

RESEARCH AND PUBLICATIONS

In This Chapter

During 2021, FHFA published all reports required by statute, as well as research papers related to housing and market conditions. Reports and publications are posted on FHFA's website at **www.FHFA.gov**.

Reports to Congress

Pursuant to requirements under federal law, including HERA and the Dodd-Frank Act, FHFA submitted all required annual reports to Congress in 2021. Additionally, as required by statute, FHFA submitted monthly reports on the number of loan modifications and other foreclosure prevention activities of the Enterprises.

Guarantee Fee Study – HERA requires FHFA to conduct an ongoing study of the guarantee fees charged by Fannie Mae and Freddie Mac. In December 2021, FHFA released its 13th annual *Guarantee Fee Study Report*. The report examines the fees charged by the Enterprises for guaranteeing conventional single-family mortgages in 2020, including the amount of these fees and the criteria used to determine them. The report utilized aggregated data collected from the Enterprises.

Annual Housing Report – FHFA submitted its 13th *Annual Housing Report* to Congress in October 2021. This report details the Enterprises' performance in 2020 under their housing goals and Duty to Serve statutory requirements, as well as information on other aspects of the Enterprises' purchase activities.

FHLBank Advance Collateral Study – HERA requires FHFA to submit to Congress an annual report on the collateral pledged to the FHLBanks. In July 2021, FHFA released its 13th *Report on Collateral Pledged to the Federal Home Loan Banks*, based on the results of the FHLBank Collateral Data Survey.

No FEAR Act Report – The Notification and Federal Employee Antidiscrimination and Retaliation Act of 2002 (No FEAR Act) requires federal agencies to be publicly accountable for violations of antidiscrimination and whistleblower protection laws. Federal agencies must publish on their public websites quarterly and annual data related to federal sector Equal Employment Opportunity (EEO) complaints, reimburse the Treasury Department Judgment Fund for any payments made, and notify employees and applicants for employment about their rights under the federal antidiscrimination and whistleblower laws. In March 2022, FHFA published the *Fiscal Year (FY) 2021 No FEAR Act Annual Report to Congress*, covering fiscal years 2017 through 2021.

OMWI Annual Report – The Dodd-Frank Act requires most federal financial regulators to establish an Office of Minority and Women Inclusion (OMWI). FHFA's OMWI is responsible for leading the Agency's efforts to advance diversity and inclusion and developing standards for: 1) the racial, ethnic, and gender diversity of the workforce and senior management; 2) increased participation of minority- and women-owned businesses in FHFA programs and contracts; and 3) assessing the diversity policies and practices of entities regulated by FHFA. Also, Section 1116(f) of HERA requires FHFA to seek diversity at all levels of its workforce, consistent with the demographic diversity of the United States. In March 2022, FHFA submitted its annual *OMWI Report to Congress* detailing the activities of FHFA's OMWI during 2021.

Federal Property Manager's Report/Foreclosure Prevention Report – The Emergency Economic Stabilization Act of 2008 directs Federal Property Managers (FPM) to develop and implement plans to maximize assistance for homeowners and encourage servicers of underlying mortgages to take advantage of programs to minimize foreclosures. Each FPM is also required to report to Congress the number and types of loan modifications and the number of foreclosures during the reporting period. FHFA is a designated FPM in its role as conservator of Fannie Mae and Freddie Mac. FHFA delivered all monthly and quarterly FPM reports to Congress throughout 2021.

Interest Rate Disparities Analysis – Interest Rate Disparities Analysis – FHFA is required to report to Congress annually on "the actions taken, and being taken, by the Director to carry out" 12 U.S.C. § 4561(d), which authorizes FHFA to require the Enterprises to submit information from which FHFA may assess whether loan pricing by lenders results in disparities for minority borrowers compared with non-minority borrowers of similar creditworthiness. If FHFA makes a preliminary finding that a pattern of disparities exists for a lender, FHFA must refer that finding to the appropriate regulatory or enforcement agency for further review.

FHFA's screening methodology involves regression analysis of the annual percentage rate (APR) controlling for numerous credit and underwriting factors that may influence the APR. However, FHFA cannot control for all possible factors that may explain disparities and is not authorized to review the policies or practices of any individual lender. The screening methodology flags for a preliminary finding and referral of any lender with an APR disparity identified as statistically significant in a given loan product. The analysis supporting the preliminary finding utilizes the data maintained by the Enterprises and includes only loans purchased by the Enterprises.

In 2021, FHFA completed statistical analysis of data covering 2019 and 2020 and referred preliminary findings of a pattern of disparities to regulators or enforcement agencies with jurisdiction to conduct examinations or investigations into potential pricing discrimination. APR disparities of 10 basis points or more, after regression adjustment, constituted 36 percent of the preliminary findings. A referral was most commonly generated due to a disparity for Latino borrowers versus non-Latino white borrowers (60% of referrals), followed by Black borrowers (49%), Asian borrowers (6%), American Indian borrowers (4%), and Pacific Islander borrowers (3%).[53]

House Price Index

In 2021, FHFA continued its regular publication of house price indexes (HPI), including "all transactions" and "purchase-only" measures using data obtained from the Enterprises, as well as "expanded-data" measures that also use Federal Housing Administration and county recorder data. Such measures are estimated using different underlying data sources, and all provide readings of house price movements at various geographic granularities. These standard indexes are produced quarterly and monthly.

Public Use Databases

The Safety and Soundness Act requires FHFA to make available to the public loan-level data submitted by the Enterprises in the reports required under Section 309(m) of Fannie Mae's Charter Act and Section 307(e) of Freddie Mac's Charter Act, except for certain proprietary information and personally identifiable information. FHFA is required to make publicly available Enterprise data elements analogous to those required to be reported by mortgage originators under HMDA at the census tract level. The Safety and Soundness Act also requires FHFA to make public certain high-cost securitized loan data it collects to compare the characteristics of high-cost loans the Enterprises purchase and securitize. FHFA is required to release the data by September 30 of the year following the year the mortgages were acquired by an Enterprise. For 2021, FHFA released the required 2020 data to the public through its Public Use Database.[54] The Public Use Database contains census tract- and national-level data by Enterprise, for both single-family and multifamily mortgages.

FHFA also maintains a similar Public Use Database with respect to the FHLBanks, required by Section 1212 of HERA. The data are at the census tract level and are reported directly by the FHLBanks to FHFA.

[53] The figures sum to more than 100% because a referral can be generated due to a disparity for more than one group.

[54] *Available at* **https://www.fhfa.gov/DataTools/Downloads/Pages/Public-Use-Databases.aspx**.

National Mortgage Database Project

The National Mortgage Database (NMDB) project is jointly funded and managed by FHFA and CFPB and is designed to provide a rich source of information about the U.S. mortgage market. It has three primary components:

1. The National Mortgage Database (NMDB®)
2. The National Survey of Mortgage Originations (NSMO)
3. The American Survey of Mortgage Borrowers (ASMB)

Pursuant to requirements of the Safety and Soundness Act, the NMDB program conducts a monthly mortgage market survey to collect data on the characteristics of individual mortgages and the credit history of borrowers. The survey covers mortgages that are and are not eligible for purchase by Fannie Mae and Freddie Mac, including subprime and nontraditional mortgages.[55]

The NMDB and its components collect data for a nationally representative sample of mortgages. In 2021, the quarterly NSMO survey was administered four times, and a public use file with data for 2013 to 2019 originations was released in July 2021. The ASMB survey focusing on borrowers with mortgage forbearance was completed in February 2021. Each quarter, FHFA also updated aggregate statistics datasets that are derived from the NMDB: National New Residential Mortgage Statistics, National and State Level Outstanding Residential Mortgage Statistics, and National and State Level Residential Mortgage Performance Statistics.

[55] The statute also calls for the survey to include a determination of whether subprime and nontraditional borrowers would qualify for prime lending. Because of uncertainty around defining the concept of subprime (see Interagency Statement on Subprime Mortgage Lending, 72 FR 37569 (July 10, 2007)) and the paucity of data on the subprime market, it has not been feasible to incorporate such determinations in the NMDB.

Economic Summits and Research Publications

Economic Summits – In 2021, FHFA hosted Economic Summits on February 23rd and October 26th. These summits bring external perspectives from experts and researchers working in areas relevant to FHFA's mission of overseeing safe and sound regulated entities. The first summit's theme was labor and mortgage market trends, with emphasis on the effects of COVID-19. Speakers from private industry, academia, and FHFA participated in the summit. The second summit's theme was housing supply and implications for affordable housing. Speakers from private industry, academia, the Census Bureau, Freddie Mac, and FHFA participated in the summit.

Research Publications – In 2021, FHFA published three new working papers. The original research in these working papers represents contributions to the academic, practitioner, and policy communities in the areas of housing finance and regional and urban economics. While FHFA provides approval for the research projects consistent with FHFA objectives, the paper reflect the views of the authors, not FHFA.

Working Paper 21-01: Transaction Composition and House Price Index Measurement: Evidence from a Repeat-Sales Aggregation Index – This paper develops a framework for estimating city-level house price indices that are resilient to changes in submarket appreciation rates and transaction patterns. A new algorithm ensures feasible estimation in all periods, despite cases of low transactions counts in some submarkets. Using 40 million repeat-purchase transactions in the United States, this paper shows differences exist between this index approach and standard approaches over certain periods and locations, especially in large cities.

Working Paper 21-02: Borrower Expectations and Mortgage Performance: Evidence from the COVID-19 Pandemic – This paper assesses issues related to borrower beliefs and mortgage performance using the NMDB and its associated NSMO. Local experiences and those within a borrower's social networks play important roles. Households who, at origination, were optimistic about future house price appreciation or pessimistic about the possibility of future unemployment were more likely to enter forbearance in 2020. However, by early 2021, appreciation-optimistic borrowers who were in forbearance were likely to have cured or prepaid their loan, while those who expected unemployment were likely to still be in forbearance. Three channels by which expectations affect forbearance behavior include: choices of initial loan terms, associations with actual future events, and factors related to belief formation that are also plausibly associated with forbearance. Findings highlight the crucial role borrower expectations play in both leverage choices and mortgage performance.

Working Paper 21-03: The Riskiness of Outstanding Mortgages in the United States, 1999 – 2019 – This paper introduces summary measures of credit risk for the stock of all outstanding mortgages in the United States for each quarter between 1999 and 2019. Mortgage terminations play a fundamental role in offsetting risk introduced by the flow of new originations because of refinance activity and the often "dual nature" of home buyers as concurrent sellers. As an example, the Home Affordable Refinance Program (HARP) increased origination risk metrics but reduced overall risk due to the associated terminations of even riskier loans. Generally, book-level risk tends to lag behind originations: while origination risk peaked in 2006, the risk of outstanding mortgages peaked in 2007, and while origination risk bottomed out in 2011 and has been rising since, book-level risk continued its downward trend in 2019. Other results highlight previously rarely examined market segments, including credit unions, the Federal Home Loan Bank System, and loans guaranteed by the Farm Service Agency/ Rural Housing Service.

FHFA OPERATIONS AND PERFORMANCE

In This Chapter

Performance and Program Assessment

The Strategic Plan in effect at the start of fiscal year (FY) 2022 was published in October 2020 and had three strategic goals: 1) Ensure Safe and Sound Regulated Entities Through World-Class Supervision; 2) Foster Competitive, Liquid, Efficient, and Resilient National Housing Finance Markets, and 3) Position the Agency as a Model of Operational Excellence by Strengthening the Workforce and Infrastructure.

On November 15, 2021, FHFA published its annual *Performance and Accountability Report* (PAR), summarizing performance and achievements during FY 2021. Data to assess performance for measures 3.1.1 and 3.1.2, will be available in calendar year 2022. Of the 37 performance measures in FY 2021 for which FHFA has data to assess performance, FHFA met the targets for 30 (81 percent) and did not meet the targets for 7 (19 percent).

In March 2022, the Association of Government Accountants awarded FHFA its 14th consecutive *Certificate for Excellence in Accountability Reporting* (CEAR), for FY 2021. The CEAR is presented to agencies that have demonstrated excellence in integrating performance and accountability reporting. Agencies must receive unmodified opinions on their financial reports from an independent auditor to be eligible for the award.

Financial Operations

Financial Highlights

The Safety and Soundness Act authorizes FHFA to collect annual assessments from its regulated entities to pay its expenses and maintain a working capital fund. In FY 2021, FHFA assessed the regulated entities a total of $335.2 million, including $49.9 million to support the Office of Inspector General. FHFA issues assessment notices to the regulated entities semiannually, with the collections occurring on October 1 and April 1. The Financial Summary for FY 2021 can be found in FHFA's PAR on pages 18-23, with the full set of audited financial statements on pages 67-89.

In accordance with HERA, FHFA is authorized to retain a working capital fund for unforeseen or emergent requirements, which can be funded through a special assessment to the regulated entities or through retention of unobligated balances at the end of the fiscal year. At the end of FY 2021, the FHFA working capital fund had a balance of $38.4 million, up from $34.3 million in FY 2020.

FEDERAL HOUSING FINANCE OVERSIGHT BOARD ASSESSMENT

Federal Housing Finance Oversight Board Assessment

June 2022

Section 1103 of the Housing and Economic Recovery Act (HERA) of 2008 requires that the Federal Housing Finance Agency (FHFA) Director's Annual Report to Congress (Annual Report) include an assessment of the Federal Housing Finance Oversight Board or any of its members with respect to:

- The safety and soundness of FHFA's regulated entities, Fannie Mae and Freddie Mac (the Enterprises) and the Federal Home Loan Banks (FHLBanks);
- Any material deficiencies in the conduct of the operations of the regulated entities;
- The overall operational status of the regulated entities; and
- An evaluation of the performance of the regulated entities in carrying out their respective missions.

As a basis for this assessment, FHFA's Annual Report provides a review of these matters. The assessment of the Federal Housing Finance Oversight Board follows:

The COVID-19 Pandemic

In 2021, the COVID-19 pandemic continued to affect economic activity, including the primary and secondary mortgage markets. In response, FHFA and the Enterprises continued refining COVID-19 policies for renters and borrowers with a single-family or multifamily mortgage owned or guaranteed by the Enterprises, thereby supporting mortgage market liquidity and stability.

To protect borrowers facing delinquency and foreclosure during the COVID-19 pandemic, FHFA suspended single-family foreclosures and foreclosure-driven evictions through most of 2021. FHFA also allowed certain eligible borrowers to extend COVID-19 forbearance terms up to 18 months. Additionally, the Enterprises made adjustments to COVID-19 Flex Modification, allowing eligible borrowers to receive an interest rate reduction regardless of a mortgage's mark-to-market loan-to-value ratio. The success of FHFA and the Enterprises' COVID-19 policies reduced the impact of the pandemic and were effective enough to warrant an early conclusion of the Adverse Market Refinance Fee introduced in December 2020, thereby enabling more borrowers to refinance at record low interest rates.

At year-end 2021, a majority of the combined 2.3 million Enterprise COVID-19 forbearance actions had been resolved through reinstatement, COVID-19 Payment Deferral, or loan payoffs through either refinance transactions or home sales. Most borrowers who received COVID-19 forbearance have resolved their hardships through self-cure of any past due payments or permanent loss mitigation solutions, such as COVID-19 payment deferrals. As of year-end 2021, approximately 176,000 borrowers remained in active COVID-19 forbearance.

As the country emerges from the pandemic, there is uncertainty about the long-term effects on housing finance markets. Prior to the pandemic, house prices were growing at a moderate rate, mortgage interest rates were stable, yet housing inventory was low. Two years after the onset of the pandemic, house price growth has been historically high, fueled in part by low inventories of homes for sale. In addition, in the first months of 2022, mortgage rates increased rapidly. For example, Freddie Mac's weekly survey of lenders nationwide indicated that the average rate for 30-year fixed rate mortgages, including points, increased from 3.11 percent on December 30, 2022 to 5.25 percent on May 19, 2022, a rise of more than 200 basis points.

FHFA continues to monitor new and evolving challenges facing the regulated entities and the nation's housing finance system. FHFA also continues to coordinate its policy response efforts with government counterparts, including members of the Federal Housing Finance Oversight Board.

Enterprises

The Enterprises have operated in conservatorships since 2008. The U.S. Department of Treasury (Treasury Department) continues to provide the Enterprises with financial support through the Senior Preferred Stock Purchase Agreements (PSPAs). $254 billion of Treasury's funding commitment remains available to the Enterprises.

The Treasury Department and FHFA have amended the PSPAs multiple times. Most recently, in January 2021, the parties executed letter agreements that, among other changes, allow the Enterprises to retain capital up to their regulatory minimums, including buffers, set forth in the Enterprise Regulatory Capital Framework (ERCF). As a result of these amendments to the PSPAs and the subsequent accumulation of retained earnings, the Enterprises have grown their combined net worth to $75.4 billion as of year-end 2021.

In September 2021, the Treasury Department and FHFA suspended certain provisions added to the PSPAs in January 2021. This suspension was designed to provide FHFA time to review the extent to which these requirements are redundant or inconsistent with existing FHFA standards, policies, and directives that mandate sustainable lending standards. The suspended provisions include limits on the Enterprises' cash windows (loans acquired for cash consideration), multifamily lending, loans with higher risk characteristics, and second homes and investment properties.

The Housing and Economic Recovery Act of 2008 amended the Federal Housing Enterprises Financial Safety and Soundness Act of 1992 to require FHFA to establish, by regulation, risk-based capital requirements for the Enterprises to ensure that each Enterprise operates in a safe and sound manner, maintaining sufficient capital and reserves to support the risks that arise in the operations and management of the Enterprises. In 2021, FHFA issued three proposed rulemakings to amend the ERCF. In the first half of 2022, FHFA finalized all three proposed rulemakings to refine the leverage buffer and the risk-based capital treatment for retained credit risk transfer (CRT) exposures, introduce additional capital-related public disclosure requirements, and require the Enterprises to develop, maintain, and submit annual capital plans to FHFA. These amendments promote transparency, encourage sound risk management practices, and provide incentives for the Enterprises to distribute acquired credit risk to private investors.

These final rules would require the Enterprises upon exit from conservatorship to maintain higher levels of capital than prior to conservatorship to satisfy their risk-based and leverage capital requirements and buffers. Based on their financial condition as of March 31, 2022, the Enterprises together would be required to hold approximately $312 billion in adjusted total capital, of which at least $266 billion would need to be tier 1 capital and $232 billion would need to be common equity tier 1 capital. Fannie Mae's tier 1 risk-based capital requirement plus buffer of $162 billion (equivalent to 3.6 percent of adjusted total assets) exceeds its tier 1 leverage capital requirement plus buffer of $136 billion (3.0 percent of adjusted total assets). Freddie Mac's tier 1 risk-based capital requirement plus buffer of $104 billion (equivalent to 2.9 percent of adjusted total assets) exceeds its tier 1 leverage capital requirement plus buffer of $101 billion (2.8 percent of adjusted total assets).

The Enterprises continue to manage their credit, market, liquidity, and operational risks as new challenges emerge. Credit risk management remains a priority for both Enterprises given the effects of the COVID-19 pandemic on borrowers, partially mitigated by many borrowers successfully exiting forbearance programs, and current home prices, which are significantly above the long-run trend level. Exposure to nonbank mortgage companies increased in 2021, owing to their increased originations and servicing volumes. Related Enterprise risk management practices continue to address the heightened exposure. Market risk exposures declined year-over-year as the Enterprises shrank retained portfolios and employed effective funding and hedging strategies for the single-family and multifamily business lines. Both Enterprises exceed FHFA guidance and expectations for liquidity by maintaining a large volume of high-quality liquid assets. While both Enterprises employ information security programs, operational risks remain elevated given increased exposure to cybersecurity threats.

In 2021, the Enterprises generated combined net income of $34.3 billion, up from $19.1 billion in 2020. Each Enterprise continues to have a significant but declining exposure to credit losses from mortgages originated in the several years prior to conservatorship. Both Enterprises are subject to quarterly volatility in their financial results primarily due to interest-rate changes and differing accounting treatments that apply to certain financial instruments that are on their balance sheets. To minimize the effects of interest rate fluctuations and mitigate accounting volatility in its financial results, Freddie Mac implemented fair value hedge accounting in 2017. Fannie Mae implemented fair value hedge accounting in the first quarter of 2021.

The Enterprises were chartered by Congress to provide stability in the secondary housing finance market, respond appropriately to the private capital market, provide ongoing assistance to the secondary mortgage market including activities relating to mortgages for low- and moderate-income families involving a reasonable economic return that may be less than the return earned on other activities, and to promote access to mortgage credit by increasing the liquidity of mortgage investments. Consistent with their statutory missions, the Enterprises have continued to provide liquidity, stability, and affordability in the secondary mortgage market during their conservatorships.

In 2021, the Enterprises purchased single-family mortgages with a combined unpaid principal balance (UPB) of $2.58 trillion, compared to $2.45 trillion UPB in 2020. The Enterprises purchased a combined volume of multifamily mortgages with a UPB of $140 billion in 2021, compared to $159 billion UPB in 2020, while increasing their focus on affordable multifamily mortgages. As of December 31, 2021, the Enterprises owned or guaranteed approximately $7.1 trillion in single-family and multifamily mortgages, representing nearly half the market. As of December 31, 2021, Fannie Mae's net worth was $47.4 billion, and Freddie Mac's net worth was $28.0 billion.

Since 2015, FHFA has set annual caps on the volume of multifamily mortgages an Enterprise can purchase to ensure that the Enterprises provide appropriate support to the multifamily sector, especially mission-driven affordable housing, without displacing private capital. The Enterprises stayed at or below their volume cap of $70 billion for the 2021 calendar year. In addition, in 2021 at least 50 percent of each Enterprise's multifamily mortgage purchases were required to be mission-driven affordable housing and at least 20 percent of their purchases were required to be affordable to households at or below 60 percent of Area Median Income (AMI). Both Enterprises exceeded the minimum mission-driven requirements in 2021.

The Enterprises are subject to annual affordable housing goals covering their purchases of single-family mortgages and multifamily mortgages. In 2021, FHFA determined that Fannie Mae met all the single-family goal requirements for 2020. Freddie Mac met the four single-family purchase housing goals in 2020 but did not meet the low-income refinance goal. As a result, FHFA notified Freddie Mac that it must prepare a housing plan describing the actions the Enterprise will take in 2022-2024 to improve its performance on the low-income refinance goal. The Enterprises also met each of their multifamily housing goal requirements for 2020. In December 2021, FHFA issued a final rule on the 2022-2024 single-family housing goals and the 2022 multifamily housing goals for Fannie Mae and Freddie Mac. The final rule included two new single-family subgoals to replace the previous low-income areas subgoal. The new minority census tract subgoal is designed to improve access to fair and sustainable mortgage financing in communities of color. The new low-income census tract subgoal targets loans in low-income neighborhoods.

In support of the Enterprises' statutory duty to serve three underserved markets – manufactured housing, affordable housing preservation, and rural housing – the Enterprises establish Duty to Serve Underserved Markets Plans (Plans). In 2021, both Enterprises surpassed their Plans' single-family loan purchase targets in high-needs rural regions and for manufactured housing titled as real property. Further, both Enterprises committed to purchasing only loans on manufactured housing communities that provide

tenant pad lease protections identified in FHFA's Duty to Serve regulation.

The Enterprises also made statutorily required contributions to the National Housing Trust Fund and the Capital Magnet Fund based on the amount of their 2021 new business purchases. These contributions support affordable housing initiatives and totaled $1.14 billion.

In 2021, FHFA took meaningful steps to advance fairness and equity in the housing finance system. FHFA published a policy statement on fair lending to communicate the Agency's position on monitoring, supervisory examinations, and administrative enforcement. FHFA also published an advisory bulletin describing FHFA's supervisory expectations and providing guidance on fair lending compliance. In addition, FHFA coordinated with the Consumer Financial Protection Bureau (CFPB) and the U.S. Department of Housing and Urban Development (HUD) to strengthen federal enforcement of fair lending laws.

In recognition of the serious threat that climate change and the resulting climate-related disasters pose to the U.S. housing finance system, FHFA issued a statement on December 27, 2021, committing to collaborative work with other federal agencies to make tangible progress toward addressing climate change and its consequences. The Agency has also instructed the Enterprises and encouraged the FHLBanks to designate climate change as a priority concern and actively consider its effects in their decision making.

FHLBanks

In 2021, FHFA continued its supervision and oversight to ensure that the FHLBanks operate safely and soundly and remain focused on their mission, which is to provide to their members and housing associates advances and other financial products in support of housing and community development.

The FHLBanks remained focused on providing liquidity to their members through originating advances (loans), purchasing whole mortgage loans, and facilitating off-balance sheet programs. FHFA calculates a core mission achievement ratio that approximates the FHLBanks' funding of mission-oriented assets, and the FHLBank System (the System) met a preferred level of at least 70 percent at year-end 2021. Additionally, each FHLBank funds an Affordable Housing Program pursuant to statutory and FHFA regulatory requirements.

Historically, short- and long-term advances to members and housing associates have been the principal mission asset of the FHLBanks. Advances are primarily collateralized by residential mortgage loans, commercial real estate loans, and government and agency securities. In 2021, the FHLBanks' business of advances to members continued to operate effectively and without credit losses.

The FHLBanks' advances continued to decline in 2021 because of market effects associated with COVID-19 pandemic relief programs. Advances at year-end 2021 were $351.3 billion, down from $422.6 billion one year earlier. While advances borrowing activity in 2022 indicates stabilization, the decline in 2021 extended an overall downward trend that began in 2018. The 10 largest borrowers accounted for 26 percent of aggregate advances outstanding at year-end 2021, down from 27 percent the previous year. Generally, FHLBanks with higher levels of advances have one or more very large borrowers in their districts.

System balances of whole mortgage loans totaled $55.6 billion at year-end 2021, down from $62.9 billion at year-end 2020. Off-balance sheet programs include letters of credit and mortgage delivery programs. Letters of credit, which allow members to diversify collateral for securing public unit deposits, had a total notional value of $151.2 billion at year-end 2021. Mortgage delivery programs to Fannie Mae and third-party investors, which are off-balance sheet for the FHLBanks, had a combined volume of $7.1 billion in 2021, compared with $14.3 billion in 2020. These programs provide members with alternative conduits to move mortgages off their balance sheets, to allow additional mortgage originations. The volume of these programs at the FHLBanks fell in 2021 after significant declines in interest rates in 2020 spurred refinancings and significant paydowns of mortgage balances across the System.

As of December 31, 2021, all 11 FHLBanks significantly exceeded the minimum 4.0 percent regulatory capital ratio. The regulatory capital-to-assets ratio for the FHLBank System was 6.7 percent at the end of 2021, up from 6.1 percent at the end of 2020 as leverage declined significantly. Retained earnings, a critical component of FHLBank capital, was $22.8 billion or 3.1 percent of assets at year-end 2021, up from $22.0 billion or 2.7 percent of assets in 2020.

All FHLBanks were profitable in 2021; no FHLBank reported a quarterly or annual loss for the year. Aggregate net income totaled $1.8 billion, down from $2.8 billion in 2020. The decline was primarily a result of a reduction in System assets, which declined to $723.4 billion in 2021 from $820.9 billion in 2020, as well as mark-to-market effects of lower interest rates in 2021.

In 2021, the FHLBanks continued their contributions to their Affordable Housing Programs (AHP), which provide funds, through their members, for the purchase, construction, or rehabilitation of affordable owner-occupied and rental housing for very low- and low- or moderate-income households. In addition to their competitive programs that award funds primarily to rental projects, the FHLBanks also provide homeowner assistance for purchase and rehabilitation of properties. Since the program's inception in 1990, the FHLBanks have awarded approximately $7.3 billion through the AHP, assisting more than one million households. In addition, during 2021, the FHLBanks extended funds totaling over $2.7 billion to members through other community investment programs for housing and economic development projects.

Conclusion

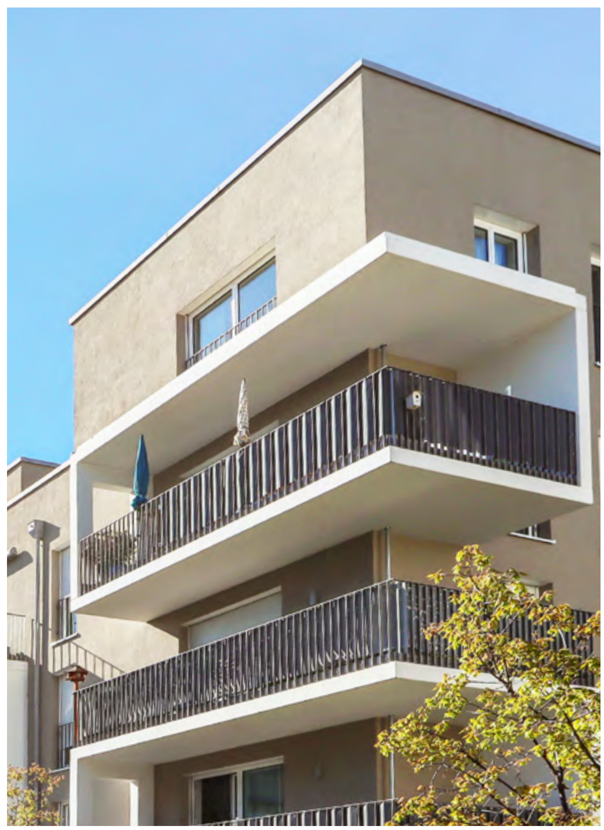
As reflected in the Annual Report, FHFA engaged in significant efforts to oversee the Enterprises and FHLBanks during 2021. While challenges remain for the regulated entities, including the ongoing conservatorships of Fannie Mae and Freddie Mac, FHFA continues to meet its statutory obligations.

Sandra L. Thompson
Chair
Federal Housing Finance Oversight Board

Janet L. Yellen
Secretary
U.S. Department of the Treasury

Marcia L. Fudge
Secretary
U.S. Department of Housing and Urban Development

Gary Gensler
Chair
Securities and Exchange Commission



LEGISLATIVE RECOMMENDATIONS

In This Chapter

Third-Party Service Provider Examination Authority

The Federal Housing Finance Agency's (FHFA) regulated entities rely on third-party service providers for a wide range of services, some of which are critical to their operations. The Enterprises, for example, rely on mortgage sellers to originate mortgages consistent with their underwriting standards and documentation requirements, and on servicers to collect payments from borrowers, advance some payments to investors in mortgage-backed securities, and perform loss mitigation on non-performing loans. The Federal Home Loan Banks (FHLBanks) and the Enterprises rely on third-party service providers for data security and other information technology services.

These third-party relationships can pose risks related to mortgage origination and servicing, information security, and business continuity, among other safety and soundness issues, and FHFA expects each regulated entity to implement a program to manage such third-party risks. However, FHFA does not have express statutory authority to examine services provided to the Enterprises or FHLBanks, unlike other federal safety and soundness supervisors of financial intermediaries. As a result, FHFA's authority to assess the impact of third-party relationships on the safe and sound operations of its regulated entities is limited. With regard to the Enterprises, FHFA relies on conservatorship authority to require that the Enterprises include provisions in their third-party contracts on access to information about service providers and to exercise the Enterprise's contractual right to obtain such information as is necessary to fulfill FHFA's statutory safety and soundness responsibilities. FHFA does not have similar authority over the FHLBanks, which are not in conservatorship.

The Government Accountability Office (GAO) has recommended that Congress provide FHFA authority to examine third parties that do business with the regulated entities similar to that conferred upon the federal banking agencies through a provision in the Bank Service Company Act.[56] The Financial Stability Oversight Council (FSOC) made a similar recommendation in its *2021 Annual Report*, as it has for the past several years.[57] In addition, FHFA's Inspector General has identified third-party oversight as a top risk, specifically finding that FHFA is challenged to effectively oversee the Enterprises' management of risks related to their counterparties and third-parties due to the lack of statutory authority.

Prior FHFA Directors have supported granting the Agency this authority, and FHFA continues to concur with FSOC's and GAO's recommendations. Accordingly, in order to identify and mitigate risks to the safety and soundness of FHFA's regulated entities, FHFA recommends that Congress authorize FHFA to examine the records, operations, and facilities of each material service provider to a regulated entity with regard to the services provided to the regulated entity. Were Congress to grant FHFA such authority, giving FHFA tailored parity with other federal financial regulators, the Agency would be in a better position to achieve its statutory duty to ensure the safe and sound operations of the Enterprises and FHLBanks. If given express examination authority, FHFA would also be able to coordinate with other federal safety and soundness supervisors in their examination activities regarding third-party service providers, thereby increasing efficiency and reducing burden.

[56] See GAO Report 16-278, Nonbank Mortgage Servicers: **Existing Regulatory Oversight Could be Strengthened**.

[57] See **2021 Annual Report**, Financial Stability Oversight Council, p. 175.

Enterprise Regulatory Capital

In 2008, Congress amended FHFA's authorizing statute to give FHFA relatively broad authority to prescribe regulatory capital requirements for the Enterprises. The 2008 amendments, however, did not remove some of the outdated definitions of regulatory capital from the original authorizing statute. Unlike the U.S. banking framework, these statutory definitions include capital elements that tend to have less loss-absorbing capacity during a period of financial stress, such as deferred tax assets (DTAs). FHFA's authorizing statute does not expressly permit FHFA to adjust the statutory capital definitions by regulation.

The shortcomings in the statutory definitions of capital could pose safety and soundness risks. During the financial crisis, market confidence in the Enterprises collapsed in mid-2008 even when Fannie Mae and Freddie Mac had total capital, as defined by statute, of $55.6 billion and $42.9 billion and net DTAs of $20.6 billion and $18.4 billion, respectively. Questions about the Enterprises' solvency likely arose in part because of their sizeable DTAs, which had less loss-absorbing capacity during a period of negative income but still counted toward regulatory capital.

FHFA's Enterprise Regulatory Capital Framework (ERCF), as set forth by regulation in 2021 and amended in 2022, mitigates the risk posed by the existing statutory definitions of capital by prescribing supplemental capital requirements based on definitions of regulatory capital used by the federal banking regulators. While these supplemental requirements should ensure that each Enterprise maintains adequate high-quality regulatory capital, the supplemental requirements introduce some additional complexity to an already complex capital framework. If Congress were to give FHFA the same flexibility as the federal banking regulators by amending or removing the statutory capital definitions, FHFA could streamline the capital regulation.

Housing Finance Reform

The Enterprises entered conservatorships in September 2008 and have now been in this state for more than 13 years. When the conservatorships were initiated, it was not expected that they would last for over a decade.

As conservator, FHFA has taken actions to improve the condition of the Enterprises. Since 2008, FHFA has directed reforms to their practices and standards, management and transfer of risks, underwriting and loss mitigation policies, and the Enterprises' securitization infrastructure. The Enterprises have begun to build their capital reserves to meet the requirements of the ERCF, although each Enterprise remains undercapitalized. However, there are other matters that could be addressed to further ensure a safe, sound, and equitable secondary housing finance system. Addressing such matters may require authority FHFA does not currently possess. For example, changes to the Enterprises' charter acts, adjustments to their statutory business model (i.e., a utility), creation of reserves funded by Enterprise guarantee fees to be accessed in the case of losses, ability to charter new Enterprises, and other structural reforms involve policy decisions that are beyond FHFA's statutory authority. It remains with Congress to determine the structure of the Enterprises and the secondary mortgage market for the post-conservatorship world.

Moreover, Congress and FHFA are not the only organizations who must be involved in addressing the Enterprises' conservatorships and the future of the U.S. housing finance system. The U.S. Department of Treasury, which holds a significant economic interest in the Enterprises, and other Federal agencies will need to resolve a series of outstanding issues as part of the process to end the conservatorships. In the meantime, the Agency will focus on building the Enterprises' capital reserves and improving their safety and soundness.

APPENDIX: HISTORICAL DATA TABLES

Contents

TABLE 1 • FANNIE MAE MORTGAGE PURCHASES

Period	Business Activity ($ in Millions)			
	Purchases			
	Single-Family ($)	Multifamily ($)	Total Mortgages[a] ($)	Mortgage-Related Securities[b] ($)
4Q21	284,954	20,666	305,620	4,152
3Q21	296,818	16,357	313,175	3,015
2Q21	373,618	10,875	384,493	2,202
1Q21	400,759	21,506	422,265	4,794
Annual Data				
2021	1,356,149	69,404	1,425,553	14,163
2020	1,359,973	75,652	1,435,625	28,237
2019	597,987	69,798	667,785	60,883
2018	452,026	65,079	517,105	80,982
2017	504,119	65,438	569,557	85,535
2016	583,744	55,024	638,768	72,175
2015	475,031	42,032	517,063	49,554
2014	382,747	28,620	411,367	24,885
2013	733,242	28,558	761,800	36,848
2012	835,994	33,394	869,388	26,874
2011	558,249	24,226	582,475	20,760
2010	607,827	17,302	625,129	44,495
2009	700,253	19,912	720,165	161,562
2008	582,947	34,288	617,235	77,523
2007	659,366	45,302	704,668	69,236
2006	524,379	20,646	545,025	102,666
2005	537,004	21,485	558,489	62,232
2004	588,119	16,386	604,505	176,385
2003	1,322,193	31,196	1,353,389	408,606
2002	804,192	16,772	820,964	268,574
2001	567,673	19,131	586,804	209,124
2000	227,069	10,377	237,446	129,716
1999	316,136	10,012	326,148	169,905
1998	354,920	11,428	366,348	147,260
1997	159,921	6,534	166,455	50,317
1996	164,456	6,451	170,907	46,743
1995	126,003	4,966	130,969	36,258
1994	158,229	3,839	162,068	25,905
1993	289,826	4,135	293,961	6,606
1992	248,603	2,956	251,559	5,428
1991	133,551	3,204	136,755	3,080
1990	111,007	3,180	114,187	1,451
1989	80,510	4,325	84,835	Not Applicable Before 1990
1988	64,613	4,170	68,783	
1987	73,942	1,733	75,675	
1986	77,223	1,877	79,100	
1985	42,543	1,200	43,743	
1984	27,713	1,106	28,819	
1983	26,339	140	26,479	
1982	25,929	10	25,939	
1981	6,827	2	6,829	
1980	8,074	27	8,101	
1979	10,798	9	10,807	
1978	12,302	3	12,305	
1977	4,650	134	4,784	
1976	3,337	295	3,632	
1975	3,646	674	4,320	
1974	4,746	2,273	7,019	
1973	4,170	2,082	6,252	
1972	2,596	1,268	3,864	
1971	2,742	1,298	4,040	

Source: Fannie Mae

[a] Includes lender-originated mortgage-backed securities (MBS) issuances, cash purchases, and capitalized interest. Based on unpaid principal balances. Excludes mortgage loans and mortgage-backed securities traded but not yet settled. Excludes delinquent loans purchased from MBS trusts.

[b] Not included in total mortgage purchases. Includes purchases of Fannie Mae MBS held for investment and mortgage-related securities traded but not yet settled. Based on unpaid principal balances. Includes activity from settlements of dollar rolls accounted for as purchases and sales of securities but does not include activity from settlements of dollar rolls accounted for as secured financings.

TABLE 1A • FANNIE MAE MORTGAGE PURCHASES DETAIL BY TYPE OF LOAN

Period	Purchases ($ in Millions)[a]											
	Single-Family Mortgages								Multifamily Mortgages			
	Conventional				FHA/VA/RD[c]							
	Fixed-Rate[b] ($)	Adjustable-Rate ($)	Seconds ($)	Total ($)	Fixed-Rate[c] ($)	Adjustable-Rate ($)	Total ($)	Total Single-Family Mortgages ($)	Conventional ($)	FHA/RD[c] ($)	Total Multifamily Mortgages ($)	Total Mortgage Purchases ($)
4Q21	283,230	1,613	0	284,843	23	88	111	284,954	20,666	0	20,666	305,620
3Q21	293,434	3,265	0	296,699	28	91	119	296,818	16,357	0	16,357	313,175
2Q21	371,577	1,922	0	373,499	28	91	119	373,618	10,875	0	10,875	384,493
1Q21	400,459	166	0	400,625	37	97	134	400,759	21,506	0	21,506	422,265
Annual Data												
2021	1,348,700	6,966	0	1,355,666	116	367	483	1,356,149	69,404	0	69,404	1,425,553
2020	1,354,899	4,296	0	1,359,195	163	615	778	1,359,973	75,652	0	75,652	1,435,625
2019	592,235	4,523	0	596,758	90	1,139	1,229	597,987	69,798	0	69,798	667,785
2018	442,778	7,736	0	450,514	114	1,398	1,512	452,026	65,079	0	65,079	517,105
2017	489,487	13,160	1	502,648	111	1,360	1,471	504,119	65,438	0	65,438	569,557
2016	573,415	8,834	3	582,252	98	1,394	1,492	583,744	55,024	0	55,024	638,768
2015	459,201	14,245	4	473,450	73	1,508	1,581	475,031	42,032	0	42,032	517,063
2014	363,716	17,324	8	381,048	11	1,688	1,699	382,747	28,620	0	28,620	411,367
2013	713,326	17,785	13	731,124	210	1,908	2,118	733,242	28,558	0	28,558	761,800
2012	806,065	27,142	19	833,226	613	2,155	2,768	835,994	33,394	0	33,394	869,388
2011	517,469	36,837	27	554,333	524	3,392	3,916	558,249	24,226	0	24,226	582,475
2010	565,531	38,023	68	603,622	516	3,689	4,205	607,827	17,299	3	17,302	625,129
2009	663,763	23,108	0	686,871	1,136	12,246	13,382	700,253	19,517	395	19,912	720,165
2008	517,673	46,910	6	564,589	1,174	17,184	18,358	582,947	34,288	0	34,288	617,235
2007	583,253	64,133	34	647,420	1,237	10,709	11,946	659,366	45,302	0	45,302	704,668
2006	429,930	85,313	130	515,373	1,576	7,430	9,006	524,379	20,644	2	20,646	545,025
2005	416,720	111,935	116	528,771	2,285	5,948	8,233	537,004	21,343	142	21,485	558,489
2004	527,456	46,772	51	574,279	9,967	3,873	13,840	588,119	13,684	2,702	16,386	604,505
2003	1,236,045	64,980	93	1,301,118	18,032	3,043	21,075	1,322,193	28,071	3,125	31,196	1,353,389
2002	738,177	48,617	40	786,834	15,810	1,548	17,358	804,192	15,089	1,683	16,772	820,964
2001	534,115	25,648	1,137	560,900	5,671	1,102	6,773	567,673	17,849	1,282	19,131	586,804
2000	187,236	33,809	726	221,771	4,378	920	5,298	227,069	9,127	1,250	10,377	237,446
1999	293,188	12,138	1,198	306,524	8,529	1,084	9,613	316,137	8,858	1,153	10,011	326,148
1998	334,367	14,273	1	348,641	5,768	511	6,279	354,920	10,844	584	11,428	366,348
1997	136,329	21,095	3	157,427	2,062	432	2,494	159,921	5,936	598	6,534	166,455
1996	146,154	15,550	3	161,707	2,415	334	2,749	164,456	6,199	252	6,451	170,907
1995	104,901	17,978	9	122,888	3,009	106	3,115	126,003	4,677	289	4,966	130,969
1994	139,815	16,340	8	156,163	1,953	113	2,066	158,229	3,620	219	3,839	162,068
1993	274,402	14,420	29	288,851	855	120	975	289,826	3,919	216	4,135	293,961
1992	226,332	21,001	136	247,469	1,055	79	1,134	248,603	2,845	111	2,956	251,559
1991	114,321	17,187	705	132,213	1,300	38	1,338	133,551	3,183	21	3,204	136,755
1990	95,011	14,528	654	110,193	799	15	814	111,007	3,165	15	3,180	114,187
1989	60,794	17,692	521	79,007	1,489	14	1,503	80,510	4,309	16	4,325	84,835
1988	35,767	27,492	433	63,692	823	98	921	64,613	4,149	21	4,170	68,783
1987	60,434	10,675	139	71,248	2,649	45	2,694	73,942	1,463	270	1,733	75,675
1986	58,251	7,305	498	66,054	11,155	14	11,169	77,223	1,877	0	1,877	79,100
1985	29,993	10,736	871	41,600	927	16	943	42,543	1,200	0	1,200	43,743
1984	17,998	8,049	937	26,984	729	0	729	27,713	1,106	0	1,106	28,819
1983	18,136	4,853	1,408	24,397	1,942	0	1,942	26,339	128	12	140	26,479
1982	19,311	3,210	1,552	24,073	1,856	0	1,856	25,929	0	10	10	25,939
1981	4,260	107	176	4,543	2,284	0	2,284	6,827	0	2	2	6,829
1980	2,802	0	0	2,802	5,272	0	5,272	8,074	0	27	27	8,101
1979	5,410	0	0	5,410	5,388	0	5,388	10,798	0	9	9	10,807
1978	5,682	0	0	5,682	6,620	0	6,620	12,302	0	3	3	12,305
1977	2,366	0	0	2,366	2,284	0	2,284	4,650	0	134	134	4,784
1976	2,513	0	0	2,513	824	0	824	3,337	0	295	295	3,632
1975	547	0	0	547	3,099	0	3,099	3,646	0	674	674	4,320
1974	1,128	0	0	1,128	3,618	0	3,618	4,746	0	2,273	2,273	7,019
1973	939	0	0	939	3,231	0	3,231	4,170	0	2,082	2,082	6,252
1972	55	0	0	55	2,541	0	2,541	2,596	0	1,268	1,268	3,864
1971	0	0	0	0	2,742	0	2,742	2,742	0	1,298	1,298	4,040

Source: Fannie Mae

[a] Includes lender-originated mortgage-backed securities (MBS) issuances, cash purchases, and capitalized interest. Based on unpaid principal balances. Excludes mortgage loans and mortgage-backed securities traded but not yet settled. Excludes delinquent loans purchased from MBS trusts.

[b] Includes balloon loans. Prior to 2012, includes energy loans.

[c] RD refers to loans guaranteed by the U.S. Department of Agriculture Rural Development (RD) loan programs. FHA stands for Federal Housing Administration. VA stands for Department of Veterans Affairs.

TABLE 1B • FANNIE MAE PURCHASES OF MORTGAGE-RELATED SECURITIES – PART 1

Period	Purchases ($ in Millions)[a]														
	Fannie Mae Securities				Other Securities										
					Freddie Mac				Ginnie Mae						
	Single-Family				Single-Family				Single-Family						
	Fixed-Rate ($)	Adjustable-Rate ($)	Multi-family ($)	Total Fannie Mae ($)	Fixed-Rate ($)	Adjustable-Rate ($)	Multi-family ($)	Total Freddie Mac ($)	Fixed-Rate ($)	Adjustable-Rate ($)	Multi-family ($)	Total Ginnie Mae ($)	Total Private-Label ($)	Mortgage Revenue Bonds ($)	Total Mortgage-Related Securities ($)
4Q21	115	2	3,952	4,069	4	0	0	4	79	0	0	79	0	0	4,152
3Q21	409	56	2,335	2,800	76	0	0	76	139	0	0	139	0	0	3,015
2Q21	200	283	1,540	2,023	7	0	0	7	172	0	0	172	0	0	2,202
1Q21	644	0	3,375	4,019	44	0	0	44	523	208	0	731	0	0	4,794
Annual Data															
2021	1,368	341	11,202	12,911	131	0	0	131	913	208	0	1,121	0	0	14,163
2020	7,818	86	12,529	20,433	159	0	0	159	6,899	746	0	7,645	0	0	28,237
2019	34,332	299	12,795	47,426	136	10	0	146	12,164	1,147	0	13,311	0	0	60,883
2018	48,622	781	12,980	62,383	105	12	0	117	16,546	1,936	0	18,482	0	0	80,982
2017	52,765	1,382	16,337	70,484	1,341	0	0	1,341	13,150	560	0	13,710	0	0	85,535
2016	38,597	1,062	16,119	55,778	3,416	20	0	3,436	12,593	368	0	12,961	0	0	72,175
2015	26,384	1,214	10,710	38,308	3,417	21	0	3,438	7,519	289	0	7,808	0	0	49,554
2014	9,097	1,538	9,939	20,574	1,433	124	0	1,557	2,557	197	0	2,754	0	0	24,885
2013	21,506	1,017	7,422	29,945	3,832	217	0	4,049	2,792	62	0	2,854	0	0	36,848
2012	14,327	842	8,786	23,955	1,102	16	0	1,118	1,745	56	0	1,801	0	0	26,874
2011	6,052	1,025	11,020	18,097	1,908	207	0	2,115	447	93	8	548	0	0	20,760
2010	27,694	301	8,000	35,995	7,095	117	0	7,212	1,263	1	24	1,288	0	0	44,495
2009	92,189	326	5,531	98,046	61,861	158	0	62,019	1,495	0	0	1,495	0	2	161,562
2008	56,894	10,082	1,023	67,999	3,649	3,168	0	6,817	0	128	0	128	2,295	284	77,523
2007	16,126	8,277	506	24,909	2,017	4,055	0	6,072	0	35	0	35	37,435	785	69,236
2006	23,177	14,826	429	38,432	1,044	5,108	0	6,152	77	0	0	77	57,787	218	102,666
2005	8,273	6,344	888	15,505	121	3,449	0	3,570	0	0	0	0	41,369	1,788	62,232
2004	42,214	21,281	1,159	64,654	6,546	8,228	0	14,774	0	0	0	0	90,833	6,124	176,385
2003	341,461	5,842	1,225	348,528	19,340	502	0	19,842	36	0	0	36	34,032	6,168	408,606
2002	238,711	4,219	1,572	244,502	7,856	101	0	7,957	4,425	0	0	4,425	7,416	4,273	268,574
2001	Not Available Before 2002	Not Available Before 2002	Not Available Before 2002	180,582	Not Available Before 2002	Not Available Before 2002	Not Available Before 2002	20,072	Not Available Before 2002	Not Available Before 2002	Not Available Before 2002	333	3,513	4,624	209,124
2000				104,904				10,171				2,493	8,466	3,682	129,716
1999				125,498				6,861				17,561	16,511	3,474	169,905
1998				104,728				21,274				2,738	15,721	2,799	147,260
1997				39,033				2,119				3,508	4,188	1,469	50,317
1996				41,263				779				2,197	777	1,727	46,743
1995				30,432				2,832				20	752	2,222	36,258
1994				21,660				571				2,321	0	1,353	25,905
1993				6,275				0				0	0	331	6,606
1992				4,930				0				0	0	498	5,428
1991				2,384				0				0	0	696	3,080
1990				977				0				0	0	474	1,451

Source: Fannie Mae

[a] Includes purchases of Fannie Mae mortgage-backed securities held for investment. Based on unpaid principal balances. Includes mortgage-related securities traded but not yet settled. Includes activity from settlements of dollar rolls accounted for as purchases and sales of securities but does not include activity from settlements of dollar rolls accounted for as secured financings.

TABLE 1B • FANNIE MAE PURCHASES OF MORTGAGE-RELATED SECURITIES – PART 2, PRIVATE-LABEL DETAIL

Period	Purchases ($ in Millions)[a]								
	Private-Label								
	Single-Family								
		Subprime		Alt-A		Other			
	Manufactured Housing ($)	Fixed-Rate ($)	Adjustable-Rate ($)	Fixed-Rate ($)	Adjustable-Rate ($)	Fixed-Rate ($)	Adjustable-Rate ($)	Multifamily ($)	Total Private-Label ($)
4Q21	0	0	0	0	0	0	0	0	0
3Q21	0	0	0	0	0	0	0	0	0
2Q21	0	0	0	0	0	0	0	0	0
1Q21	0	0	0	0	0	0	0	0	0
Annual Data									
2021	0	0	0	0	0	0	0	0	0
2020	0	0	0	0	0	0	0	0	0
2019	0	0	0	0	0	0	0	0	0
2018	0	0	0	0	0	0	0	0	0
2017	0	0	0	0	0	0	0	0	0
2016	0	0	0	0	0	0	0	0	0
2015	0	0	0	0	0	0	0	0	0
2014	0	0	0	0	0	0	0	0	0
2013	0	0	0	0	0	0	0	0	0
2012	0	0	0	0	0	0	0	0	0
2011	0	0	0	0	0	0	0	0	0
2010	0	0	0	0	0	0	0	0	0
2009	0	0	0	0	0	0	0	0	0
2008	0	0	637	175	0	0	987	496	2,295
2007	0	343	15,628	38	5,250	0	178	15,998	37,435
2006	0	0	35,606	1,504	10,469	0	518	9,690	57,787
2005	0	0	24,469	3,574	12,535	118	571	102	41,369
2004	0	176	66,827	7,064	14,935	221	1,509	101	90,833
2003	0	0	25,769	7,734	370	98	0	61	34,032
2002	56	181	4,963	1,756	0	43	381	36	7,416
2001	Not Available Before 2002	Not Available Before 2002	Not Available Before 2002	Not Available Before 2002	Not Available Before 2002	Not Available Before 2002	Not Available Before 2002	Not Available Before 2002	3,513
2000									8,466
1999									16,511
1998									15,721
1997									4,188
1996									777
1995									752

Source: Fannie Mae

[a] Based on unpaid principal balances. Includes mortgage loans and mortgage-related securities traded but not yet settled. Certain amounts previously reported for years before 2007 have changed as a result of reclassifying certain securities.

TABLE 2 • FANNIE MAE MBS ISSUANCES

Period	Business Activity ($ in Millions)			
	MBS Issuances[a]			
	Single-Family MBS ($)	Multifamily MBS ($)	Total MBS ($)	Multiclass MBS[b,c] ($)
4Q21	292,352	20,682	313,034	20,396
3Q21	303,123	16,357	319,480	15,565
2Q21	388,543	10,875	399,418	17,032
1Q21	403,729	21,506	425,235	22,067
Annual Data				
2021	1,387,747	69,420	1,457,167	75,060
2020	1,336,377	75,715	1,412,092	105,656
2019	591,088	69,862	660,950	68,026
2018	470,478	64,327	534,805	57,940
2017	514,000	66,363	580,363	68,883
2016	582,817	55,020	637,837	73,269
2015	472,471	43,923	516,394	63,433
2014	375,676	31,997	407,673	59,608
2013	733,111	31,403	764,514	121,237
2012	827,749	37,738	865,487	151,239
2011	564,606	34,066	598,672	139,819
2010	603,247	26,499	629,746	179,767
2009	791,418	16,435	807,853	100,846
2008	536,951	5,862	542,813	67,559
2007	622,458	7,149	629,607	112,563
2006	476,161	5,543	481,704	124,856
2005	500,759	9,379	510,138	123,813
2004	545,635	6,847	552,482	94,686
2003	1,196,730	23,336	1,220,066	260,919
2002	731,133	12,497	743,630	170,795
2001	514,621	13,801	528,422	139,403
2000	204,066	7,596	211,662	39,544
1999	292,192	8,497	300,689	55,160
1998	315,120	11,028	326,148	84,147
1997	143,615	5,814	149,429	85,415
1996	144,201	5,668	149,869	30,780
1995	106,269	4,187	110,456	9,681
1994	128,385	2,237	130,622	73,365
1993	220,485	959	221,444	210,630
1992	193,187	850	194,037	170,205
1991	111,488	1,415	112,903	112,808
1990	96,006	689	96,695	68,291
1989	66,489	3,275	69,764	41,715
1988	51,120	3,758	54,878	17,005
1987	62,067	1,162	63,229	9,917
1986	60,017	549	60,566	2,400
1985	23,142	507	23,649	Not Issued Before 1986
1984	13,087	459	13,546	
1983	13,214	126	13,340	
1982	13,970	Not Issued Before 1983	13,970	
1981	717		717	

Source: Fannie Mae

a Lender-originated mortgage-backed securities (MBS) plus issuances from Fannie Mae's investment portfolio. Based on unpaid principal balances. Excludes mortgage-related securities traded but not yet settled.

b Beginning in 2006, includes grantor trusts, real estate mortgage investment conduits, and stripped MBS backed by Fannie Mae certificates.

c Beginning with the introduction of single security in June 2019, includes the portion of Freddie Mac-issued securities that back Fannie Mae-issued multiclass MBS.

TABLE 3 • FANNIE MAE EARNINGS

Period	Earnings ($ in Millions)					
	Net Interest Income[a,b] ($)	Unconsolidated Guarantee Income[a] ($)	Administrative Expenses ($)	Credit-Related Expense/ (Income)[c] ($)	Net Income (Loss) ($)	Return on Equity[d] (%)
4Q21	7,587	14	826	(912)	5,189	N/M
3Q21	6,972	13	745	(868)	4,842	N/M
2Q21	8,286	14	746	(2,547)	7,152	N/M
1Q21	6,742	16	748	(770)	4,993	N/M
Annual Data						
2021	29,587	57	3,065	(5,097)	22,176	N/M
2020	24,866	62	3,068	855	11,805	N/M
2019	20,962	69	3,023	3,496	14,160	N/M
2018	20,951	171	3,059	2,692	15,959	N/M
2017	20,733	96	2,737	(1,520)	2,463	N/M
2016	21,295	109	2,741	(1,511)	12,313	N/M
2015	21,409	128	3,050	834	10,954	N/M
2014	19,968	175	2,777	(3,822)	14,208	N/M
2013	22,404	205	2,545	(11,788)	83,963	N/M
2012	21,501	212	2,367	(1,106)	17,224	N/M
2011	19,281	227	2,370	27,498	(16,855)	N/M
2010	16,409	202	2,597	26,614	(14,014)	N/M
2009	14,510	7,211	2,207	73,536	(71,969)	N/M
2008	8,782	7,621	1,979	29,809	(58,707)	N/M
2007	4,581	5,071	2,669	5,012	(2,050)	(8.3)
2006	6,752	4,250	3,076	783	4,059	11.3
2005	11,505	4,006	2,115	428	6,347	19.5
2004	18,081	3,784	1,656	363	4,967	16.6
2003	19,477	3,432	1,454	353	8,081	27.6
2002	18,426	2,516	1,156	273	3,914	15.2
2001	8,090	1,482	1,017	78	5,894	39.8
2000	5,674	1,351	905	94	4,448	25.6
1999	4,894	1,282	800	127	3,912	25.2
1998	4,110	1,229	708	261	3,418	25.2
1997	3,949	1,274	636	375	3,056	24.6
1996	3,592	1,196	560	409	2,725	24.1
1995	3,047	1,086	546	335	2,144	20.9
1994	2,823	1,083	525	378	2,132	24.3
1993	2,533	961	443	305	1,873	25.3
1992	2,058	834	381	320	1,623	26.5
1991	1,778	675	319	370	1,363	27.7
1990	1,593	536	286	310	1,173	33.7
1989	1,191	408	254	310	807	31.1
1988	837	328	218	365	507	25.2
1987	890	263	197	360	376	23.5
1986	384	175	175	306	105	9.5
1985	139	112	142	206	(7)	(0.7)
1984	(90)	78	112	86	(71)	(7.4)
1983	(9)	54	81	48	49	5.1
1982	(464)	16	60	36	(192)	(18.9)
1981	(429)	0	49	(28)	(206)	(17.2)
1980	21	Not Available Before 1981	44	19	14	0.9
1979	322		46	35	162	11.3
1978	294		39	36	209	16.5
1977	251		32	28	165	15.3
1976	203		30	25	127	13.8
1975	174		27	16	115	14.1
1974	142		23	17	107	14.7
1973	180		18	12	126	20.3
1972	138		13	5	96	18.8
1971	49		15	4	61	14.4

Source: Fannie Mae

N/A = not applicable **N/M = not meaningful**

[a] Adoption of accounting guidance related to transfers of financial assets and consolidation of variable interest entities, effective January 1, 2010, significantly changed presentation of these line items in the financial statements. Financial results for 2010 and later years are not directly comparable to previous years. Effective January 1, 2010, guaranty fee income associated with the securitization activities of consolidated trusts is reflected in net interest income.

[b] Interest income net of interest expense.

[c] Credit-related expense (income) includes provision (benefit) for loan losses and guaranty losses (collectively, credit losses) and foreclosed property expense (income).

[d] Net income (loss) available to common stockholders divided by average outstanding common equity.

TABLE 4 • FANNIE MAE BALANCE SHEET

End of Period	Balance Sheet ($ in Millions)								
	Total Assets[a,b] ($)	Total Mortgage Assets[a,c] ($)	Nonmortgage Investments[d] ($)	Total Debt Outstanding[a] ($)	Shareholders' Equity (Deficit)[a] ($)	Senior Preferred Stock ($)	Fair Value of Net Assets[a] ($)	Mortgage Assets Held for Investment (Gross)[e] ($)	Indebtedness[f] ($)
4Q21	4,229,166	3,979,314	104,343	4,158,191	47,357	120,836	54,883	109,221	202,484
3Q21	4,209,209	3,915,886	119,822	4,142,469	42,173	120,836	41,737	110,910	236,115
2Q21	4,158,038	3,864,697	133,668	4,096,275	37,345	120,836	29,167	123,986	252,721
1Q21	4,070,103	3,756,592	160,611	4,013,980	30,225	120,836	16,749	157,247	275,070
Annual Data									
2021	4,229,166	3,979,314	104,343	4,158,191	47,357	120,836	54,883	109,221	202,484
2020	3,985,749	3,672,154	158,729	3,935,736	25,259	120,836	(9,423)	162,650	290,019
2019	3,503,319	3,354,125	53,158	3,467,386	14,608	120,836	16,762	153,611	182,247
2018	3,418,318	3,273,303	68,529	3,391,920	6,240	120,836	22,640	179,153	232,471
2017	3,345,529	3,207,909	48,692	3,330,054	(3,686)	117,149	16,389	230,783	277,469
2016	3,287,968	3,119,826	62,732	3,262,316	6,071	117,149	103	272,354	328,824
2015	3,221,917	3,078,248	56,835	3,197,671	4,059	117,149	(4,177)	345,103	389,496
2014	3,248,176	3,097,727	50,416	3,222,155	3,720	117,149	(16,754)	413,313	464,464
2013	3,270,108	3,122,719	55,281	3,234,523	9,591	117,149	(33,318)	490,701	534,211
2012	3,222,422	3,094,127	50,450	3,189,517	7,224	117,149	(66,451)	633,054	621,779
2011	3,211,484	3,072,709	95,848	3,189,872	(4,571)	112,578	(127,795)	708,414	742,293
2010	3,221,972	3,103,772	44,503	3,197,000	(2,517)	88,600	(120,212)	788,771	793,878
2009	869,141	745,271	57,782	774,554	(15,281)	60,900	(98,701)	769,252	785,775
2008	912,404	767,989	71,550	870,393	(15,314)	1,000	(105,150)	Not Applicable Before 2009	Not Applicable Before 2009
2007	882,547	723,620	86,875	796,299	44,011	Not Applicable Before 2008	35,799		
2006	843,936	726,434	56,983	767,046	41,506		43,699		
2005	834,168	736,803	46,016	764,010	39,302		42,199		
2004	1,020,934	925,194	47,839	953,111	38,902		40,094		
2003	1,022,275	919,589	59,518	961,280	32,268		28,393		
2002	904,739	820,627	39,376	841,293	31,899		22,130		
2001	799,948	706,347	65,982	763,467	18,118		22,675		
2000	675,224	607,731	52,347	642,682	20,838		20,677		
1999	575,308	523,103	37,299	547,619	17,629		20,525		
1998	485,146	415,434	58,515	460,291	15,453		14,885		
1997	391,673	316,592	64,596	369,774	13,793		15,982		
1996	351,041	286,528	56,606	331,270	12,773		14,556		
1995	316,550	252,868	57,273	299,174	10,959		11,037		
1994	272,508	220,815	46,335	257,230	9,541		10,924		
1993	216,979	190,169	21,396	201,112	8,052		9,126		
1992	180,978	156,260	19,574	166,300	6,774		9,096		
1991	147,072	126,679	9,836	133,937	5,547		Not Available Before 1992		
1990	133,113	114,066	9,868	123,403	3,941				
1989	124,315	107,981	8,338	116,064	2,991				
1988	112,258	100,099	5,289	105,459	2,260				
1987	103,459	93,665	3,468	97,057	1,811				
1986	99,621	94,123	1,775	93,563	1,182				
1985	99,076	94,609	1,466	93,985	1,009				
1984	87,798	84,135	1,840	83,719	918				
1983	78,383	75,247	1,689	74,594	1,000				
1982	72,981	69,356	2,430	69,614	953				
1981	61,578	59,629	1,047	58,551	1,080				
1980	57,879	55,589	1,556	54,880	1,457				
1979	51,300	49,777	843	48,424	1,501				
1978	43,506	42,103	834	40,985	1,362				
1977	33,980	33,252	318	31,890	1,173				
1976	32,393	31,775	245	30,565	983				
1975	31,596	30,820	239	29,963	861				
1974	29,671	28,666	466	28,168	772				
1973	24,318	23,589	227	23,003	680				
1972	20,346	19,652	268	19,239	559				
1971	18,591	17,886	349	17,672	460				

Source: Fannie Mae

[a] Adoption of accounting guidance related to transfers of financial assets and consolidation of variable interest entities, effective January 1, 2010, significantly changed presentation of these line items in the financial statements. Financial results for 2010 and later years are not directly comparable to previous years. Adoption of this guidance resulted in the consolidation of the substantial majority of mortgage-backed securities (MBS) trusts and recognition of the underlying assets and debt of the trusts in the consolidated balance sheet.

[b] Beginning in 1998, the guaranty liability for Fannie Mae MBS held for investment was classified as a liability.

[c] Gross mortgage assets net of unamortized purchase premiums, discounts, cost-basis adjustments, fair-value adjustments on securities and loans. Beginning in 2002, amounts include fair-value adjustments on available-for-sale and trading securities, as well as impairments on available-for-sale securities. Excludes allowance for loan losses on loans held for investment. Amounts for 1999 through 2001 include certain loans held for investment previously classified as nonmortgage investments.

[d] Data reflect unpaid principal balance net of unamortized purchase premiums, discounts, cost-basis adjustments, fair-value adjustments and impairments on available-for-sale and trading securities. Since 2005, advances to lenders have not been included. Amounts for periods before 2005 may include or consist of advances to lenders.

[e] Amounts for 2010 and later meet the definition of mortgage assets in the Treasury Senior Preferred Stock Purchase Agreement for the purpose of determining the maximum amount of mortgage assets that may be held. The amount for 2009 includes consolidation of variable interest entities. The 2009 amount would have been $772.5 billion excluding consolidation of variable interest entities.

[f] As defined in the Treasury Senior Preferred Stock Purchase Agreement for 2009 and later years.

TABLE 4A • FANNIE MAE TOTAL MBS OUTSTANDING DETAIL

End of Period	Single-Family Mortgages ($ in Millions)[a,b]							Multifamily Mortgages[a] ($ in Millions)			($ in Millions)	
	Conventional				FHA/VA[c]							
	Fixed-Rate ($)	Adjustable-Rate ($)	Seconds ($)	Total ($)	Fixed-Rate ($)	Adjustable-Rate ($)	Total ($)	Conventional ($)	FHA/RD[b] ($)	Total Multi-family ($)	Total MBS Outstanding[a] ($)	Multiclass MBS Outstanding[d] ($)
4Q21	3,420,679	31,065	44	3,451,788	2,365	541	2,906	402,289	647	402,936	3,857,630	358,753
3Q21	3,373,192	32,003	48	3,405,243	2,492	601	3,093	395,671	681	396,352	3,804,688	363,491
2Q21	3,317,213	31,876	53	3,349,142	2,583	697	3,280	389,234	688	389,922	3,742,344	374,983
1Q21	3,215,395	34,381	59	3,249,835	2,470	791	3,261	383,923	708	384,631	3,637,727	388,764
Annual Data												
2021	3,420,679	31,065	44	3,451,788	2,365	541	2,906	402,289	647	402,936	3,857,630	358,753
2020	3,131,865	38,388	64	3,170,317	2,563	873	3,436	369,598	711	370,309	3,544,062	397,124
2019	2,825,663	53,902	86	2,879,651	2,896	1,629	4,525	322,147	953	323,100	3,207,276	400,188
2018	2,722,503	68,267	111	2,790,881	3,355	1,966	5,321	285,996	1,028	287,024	3,083,226	401,777
2017	2,628,581	81,011	147	2,709,739	3,801	2,266	6,067	254,569	1,061	255,630	2,971,436	412,927
2016	2,546,156	87,681	200	2,634,037	4,372	2,795	7,167	214,199	1,145	215,344	2,856,548	421,442
2015	2,445,482	106,130	258	2,551,870	4,787	3,842	8,629	176,071	1,204	177,275	2,737,774	436,544
2014	2,418,717	114,519	329	2,533,565	9,964	83	10,047	147,117	1,237	148,354	2,691,966	460,997
2013	2,386,128	119,084	402	2,505,614	11,383	97	11,480	125,045	1,276	126,321	2,643,415	480,200
2012	2,267,031	137,836	515	2,405,382	14,188	114	14,302	99,899	1,463	101,362	2,521,046	503,349
2011	2,192,594	149,825	643	2,343,062	16,243	130	16,373	72,634	1,639	74,273	2,433,708	516,471
2010	2,172,092	150,378	805	2,323,275	17,167	144	17,311	57,206	1,785	58,991	2,399,577	507,268
2009	2,190,357	179,655	25	2,370,037	15,026	171	15,197	46,628	927	47,555	2,432,789	480,057
2008	2,035,020	203,206	31	2,238,257	12,903	214	13,117	37,298	787	38,085	2,289,459	481,137
2007	1,850,150	214,245	0	2,064,395	14,982	275	15,257	38,218	1,039	39,257	2,118,909	490,692
2006	1,484,147	230,667	0	1,714,814	18,615	454	19,069	42,184	1,483	43,667	1,777,550	456,970
2005	1,290,354	232,689	0	1,523,043	23,065	668	23,733	50,346	1,796	52,142	1,598,918	412,060
2004	1,243,343	75,722	0	1,319,065	31,389	949	32,336	47,386	9,260	56,646	1,408,047	368,567
2003	1,112,849	87,373	0	1,200,222	36,139	1,268	37,407	53,720	9,171	62,891	1,300,520	398,516
2002	875,260	75,430	0	950,690	36,057	1,247	37,304	47,025	5,420	52,445	1,040,439	401,406
2001	752,211	60,842	772	813,825	4,519	1,207	5,726	42,713	1,181	43,894	863,445	392,457
2000	599,999	61,495	1,165	662,659	6,778	1,298	8,076	35,207	780	35,987	706,722	334,508
1999	586,069	51,474	1,212	638,755	7,159	1,010	8,169	31,518	703	32,221	679,145	335,514
1998	545,680	56,903	98	602,681	5,340	587	5,927	28,378	157	28,535	637,143	361,613
1997	483,982	70,106	7	554,095	3,872	213	4,085	20,824	134	20,958	579,138	388,360
1996	460,866	65,682	9	526,557	4,402	191	4,593	16,912	111	17,023	548,173	339,798
1995	431,755	63,436	13	495,204	5,043	91	5,134	12,579	313	12,892	513,230	353,528
1994	415,692	55,780	18	471,490	5,628	0	5,628	8,908	319	9,227	486,345	378,733
1993	405,383	49,987	28	455,398	7,549	0	7,549	8,034	325	8,359	471,306	381,865
1992	360,619	45,718	43	406,380	9,438	0	9,438	8,295	331	8,626	424,444	312,369
1991	290,038	45,110	89	335,237	11,112	0	11,112	8,599	336	8,935	355,284	224,806
1990	225,981	42,443	121	268,545	11,380	0	11,380	7,807	343	8,150	288,075	127,278
1989	Not Available Before 1990	Not Available Before 1990	Not Available Before 1990	Not Available Before 1990	Not Available Before 1990	Not Available Before 1990	Not Available Before 1990	Not Available Before 1990	Not Available Before 1990	Not Available Before 1990	216,512	64,826
1988											170,097	26,660
1987											135,734	11,359
1986											95,568	Not Issued Before 1987
1985											54,552	
1984											35,738	
1983											25,121	
1982											14,450	
1981											717	
1980											Not Issued before 1981	

Source: Fannie Mae

a Unpaid principal balance of Fannie Mae mortgage-backed securities (MBS) held by third-party investors. Includes guaranteed whole loan real estate mortgage investment conduits (REMICs) and private-label wraps not included in grantor trusts. The principal balance of resecuritized Fannie Mae MBS is included only once.

b Beginning in Q3 2015, we reclassified certain Fannie Mae Single-Family securities from fixed-rate to adjustable-rate.

c FHA stands for Federal Housing Administration. RD refers to loans guaranteed by the U.S. Department of Agriculture Rural Development (RD) loan programs. VA stands for Department of Veterans Affairs.

d Beginning in 2005, consists of securities guaranteed by Fannie Mae and backed by Ginnie Mae collateral, grantor trusts, and REMICs, as well as stripped MBS backed by Fannie Mae certificates.

TABLE 5 • FANNIE MAE MORTGAGE ASSETS HELD FOR INVESTMENT DETAIL[a]

End of Period	($ in Millions)			
	Whole Loans[b,c] ($)	Fannie Mae Securities[b,d] ($)	Other Mortgage-Related Securities[b,d,e] ($)	Mortgage Assets Held for Investment (Gross)[f] ($)
4Q21	67,637	38,240	3,344	109,221
3Q21	80,260	27,036	3,614	110,910
2Q21	90,465	29,690	3,831	123,986
1Q21	114,158	39,072	4,017	157,247
Annual Data				
2021	67,637	38,240	3,344	109,221
2020	119,479	39,085	4,086	162,650
2019	105,558	41,994	6,059	153,611
2018	126,675	45,405	7,073	179,153
2017	177,365	48,792	4,626	230,783
2016	220,069	42,054	10,231	272,354
2015	253,592	68,697	22,814	345,103
2014	285,610	92,819	34,884	413,313
2013	314,664	129,841	46,196	490,701
2012	371,708	183,964	77,382	633,054
2011	398,271	220,061	90,082	708,414
2010	427,074	260,429	101,268	788,771
2009	416,543	220,245	132,464	769,252
2008	429,493	228,950	133,753	792,196
2007	403,577	180,163	144,163	727,903
2006	383,045	199,644	146,243	728,932
2005	366,680	234,451	136,758	737,889
2004	400,157	344,404	172,648	917,209
2003	397,633	405,922	105,313	908,868
2002	323,244	380,383	96,152	799,779
2001	167,405	431,776	109,270	708,452
2000	152,634	351,066	106,551	610,251
1999	149,231	281,714	93,122	524,067
1998	155,779	197,375	61,361	414,515
1997	160,102	130,444	26,132	316,678
1996	167,891	102,607	16,554	287,052
1995	171,481	69,729	12,301	253,511
1994	170,909	43,998	7,150	222,057
1993	163,149	24,219	3,493	190,861
1992	134,597	20,535	2,987	158,119
1991	109,251	16,700	3,032	128,983
1990	101,797	11,758	3,073	116,628
1989	95,729	11,720	3,272	110,721
1988	92,220	8,153	2,640	103,013
1987	89,618	4,226	2,902	96,746
1986	94,167	1,606	2,060	97,833
1985	97,421	435	793	98,649
1984	87,205	477	427	88,109
1983	77,983	Not Available Before 1984	273	78,256
1982	71,777		37	71,814
1981	61,411		1	61,412
1980	57,326		1	57,327
1979	51,096		1	51,097
1978	43,315		Not Available Before 1979	43,315
1977	34,377			34,377
1976	32,937			32,937
1975	31,916			31,916
1974	29,708			29,708
1973	24,459			24,459
1972	20,326			20,326
1971	18,515			18,515

Source: Fannie Mae

a Beginning in 2010, excludes effect of accounting guidance related to transfers of financial assets and consolidation of variable interest entities, effective January 1, 2010. Amounts for 2010 have been revised from amounts previously reported to reflect this exclusion.

b Unpaid principal balance.

c Amounts for 2002 to 2009 include mortgage-related securities consolidated as loans at period end. For 1999 through 2001, includes certain loans held for investment classified as nonmortgage investments.

d Amounts for 2002 to 2009 exclude mortgage-related securities consolidated as loans at period end.

e Includes mortgage revenue bonds.

f Amounts for 2010 and later meet the definition of mortgage assets in the Treasury Senior Preferred Stock Purchase Agreement for the purpose of determining the maximum amount of mortgage assets that may be held. Amounts prior to 2010 include consolidation of variable interest entities. Mortgage assets as defined under the Senior Preferred Stock Purchase Agreement for 2009 totaled $772.5 billion excluding consolidation of variable interest entities.

TABLE 5A • FANNIE MAE MORTGAGE ASSETS HELD FOR INVESTMENT DETAIL – WHOLE LOANS

End of Period	Whole Loans ($ in Millions)[a]								
	Single-Family					Multifamily			
	Conventional								
	Fixed-Rate[b] ($)	Adjustable-Rate ($)	Seconds ($)	Total ($)	Total FHA/VA/RD[c] ($)	Conventional ($)	Total FHA/RD[c] ($)	Total ($)	Total Whole Loans ($)
1Q21	89,252	11,424	52	100,728	11,959	1,387	84	1,471	114,158
2Q21	69,466	8,242	49	77,757	11,259	1,361	88	1,449	90,465
3Q21	60,931	7,133	36	68,100	10,772	1,307	81	1,388	80,260
4Q21	50,981	5,116	33	56,130	10,254	1,182	71	1,253	67,637
Annual Data									
2021	89,252	11,424	52	100,728	11,959	1,387	84	1,471	114,158
2020	92,257	12,865	55	105,177	12,745	1,472	85	1,557	119,479
2019	68,373	18,036	72	86,481	17,493	1,432	151	1,584	105,558
2018	72,945	28,629	84	101,658	22,244	2,597	176	2,773	126,675
2017	89,138	56,656	101	145,895	26,879	4,391	200	4,591	177,365
2016	107,307	73,317	115	180,739	29,923	9,198	209	9,407	220,069
2015	198,255	8,453	143	206,851	33,376	13,141	224	13,365	253,592
2014	214,830	10,810	160	225,800	36,442	23,125	243	23,368	285,610
2013	224,174	13,171	156	237,501	39,399	37,497	267	37,764	314,664
2012	251,081	18,008	170	269,259	40,886	61,251	312	61,563	371,708
2011	255,914	23,490	185	279,589	41,555	76,765	362	77,127	398,271
2010	248,335	31,526	207	280,068	51,783	94,792	431	95,223	427,074
2009	208,915	34,602	213	243,730	52,399	119,829	585	120,414	416,543
2008	223,881	44,157	215	268,253	43,799	116,742	699	117,441	429,493
2007	240,090	43,278	261	283,629	28,202	90,931	815	91,746	403,577
2006	255,490	46,820	287	302,597	20,106	59,374	968	60,342	383,045
2005	261,214	38,331	220	299,765	15,036	50,731	1,148	51,879	366,680
2004	307,048	38,350	177	345,575	10,112	43,396	1,074	44,470	400,157
2003	335,812	19,155	233	355,200	7,284	33,945	1,204	35,149	397,633
2002	282,899	12,142	416	295,457	6,404	19,485	1,898	21,383	323,244
2001	140,454	10,427	917	151,798	5,069	8,987	1,551	10,538	167,405
2000	125,786	13,244	480	139,510	4,763	6,547	1,814	8,361	152,634
1999	130,614	6,058	176	136,848	4,472	5,564	2,347	7,911	149,231
1998	135,351	7,633	206	143,190	4,404	5,590	2,595	8,185	155,779
1997	134,543	10,389	268	145,200	4,631	7,388	2,883	10,271	160,102
1996	137,507	12,415	323	150,245	4,739	9,756	3,151	12,907	167,891
1995	137,032	14,756	423	152,211	4,780	11,175	3,315	14,490	171,481
1994	133,882	16,475	537	150,894	4,965	11,681	3,369	15,050	170,909
1993	123,308	19,175	772	143,255	5,305	11,143	3,446	14,589	163,149
1992	91,500	22,637	1,355	115,492	6,097	9,407	3,601	13,008	134,597
1991	69,130	19,763	2,046	90,939	6,962	7,641	3,709	11,350	109,251
1990	61,873	19,558	1,851	83,282	8,524	6,142	3,849	9,991	101,797
1989	55,638	20,751	1,614	78,003	9,450	3,926	4,350	8,276	95,729
1988	53,090	20,004	1,561	74,655	10,480	2,699	4,386	7,085	92,220
1987	55,913	13,702	1,421	71,036	11,652	2,448	4,482	6,930	89,618
1986	Not Available Before 1987	Not Available Before 1987	Not Available Before 1987	Not Available Before 1987	Not Available Before 1987	Not Available Before 1987	Not Available Before 1987	Not Available Before 1987	94,167
1985									97,421
1984									87,205
1983									77,983
1982									71,777
1981									61,411
1980									57,326
1979									51,096
1978									43,315
1977									34,377
1976									32,937
1975									31,916
1974									29,708
1973									24,459
1972									20,326
1971									18,515

Source: Fannie Mae

[a] Unpaid principal balance. Beginning in 2010, excludes the effect of accounting guidance related to transfers of financial assets and consolidation of variable interest entities, effective January 1, 2010. Amounts for 2010 have been revised from amounts previously reported to reflect this exclusion. Amounts for 2002 to 2009 include mortgage-related securities consolidated as loans at period end. For 1999 through 2001, includes certain loans held for investment classified as nonmortgage investments.

[b] Includes balloon loans. Prior to 2012, includes energy loans.

[c] RD refers to loans guaranteed by the U.S. Department of Agriculture Rural Development (RD) loan programs. FHA stands for Federal Housing Administration. VA stands for Department of Veterans Affairs.

TABLE 5B • FANNIE MAE MORTGAGE ASSETS HELD FOR INVESTMENT DETAIL – PART 1, MORTGAGE-RELATED SECURITIES

End of Period	Mortgage-Related Securities ($ in Millions)[a]													
	Fannie Mae Securities ($)[b]				Other Securities									
	Single-Family[c]				Freddie Mac				Ginnie Mae					
					Single-Family				Single-Family					
	Fixed-Rate ($)	Adjustable-Rate ($)	Multi-family ($)	Total Fannie Mae ($)	Fixed-Rate ($)	Adjustable-Rate ($)	Multi-family ($)	Total Freddie Mac ($)	Fixed-Rate ($)	Adjustable-Rate ($)	Multi-family ($)	Total Ginnie Mae ($)	Total Private-Label[d] ($)	Total Other Securities[d] ($)
4Q21	27,929	3,983	6,328	38,240	3	11	0	14	2	2,844	0	2,846	340	3,200
3Q21	18,480	4,358	4,198	27,036	3	13	0	16	70	3,007	0	3,077	357	3,450
2Q21	20,836	4,909	3,945	29,690	3	14	0	17	116	3,149	0	3,265	379	3,661
1Q21	29,103	4,753	5,216	39,072	77	15	0	92	44	3,269	0	3,313	424	3,829
Annual Data														
2021	27,929	3,983	6,328	38,240	3	11	0	14	2	2,844	0	2,846	340	3,200
2020	28,340	4,776	5,969	39,085	172	16	0	188	72	3,171	0	3,243	441	3,872
2019	29,703	5,715	6,576	41,994	360	23	0	383	1,330	2,824	0	4,154	1,209	5,746
2018	30,347	7,390	7,668	45,405	422	35	0	457	1,134	2,065	0	3,199	2,986	6,642
2017	29,841	11,091	7,860	48,792	518	58	0	576	284	557	0	841	2,544	3,961
2016	21,886	12,475	7,693	42,054	1,292	92	0	1,384	950	165	0	1,115	6,455	8,954
2015	40,739	17,022	10,936	68,697	2,856	2,376	0	5,232	734	6	8	748	13,729	19,709
2014	64,904	9,257	18,658	92,819	3,506	2,862	0	6,368	555	9	8	572	23,388	30,328
2013	94,722	12,710	22,409	129,841	4,758	3,366	0	8,124	859	8	32	899	30,854	39,877
2012	140,118	15,717	28,129	183,964	6,911	4,363	0	11,274	1,012	5	32	1,049	56,573	68,896
2011	172,502	19,189	28,370	220,061	8,888	5,621	0	14,509	1,003	7	33	1,043	63,631	79,183
2010	217,075	23,406	19,948	260,429	10,005	7,327	0	17,332	1,393	8	24	1,425	69,986	88,743
2009	203,577	16,272	396	220,245	29,783	11,607	0	41,390	1,119	137	21	1,277	75,344	118,011
2008	207,867	20,637	446	228,950	18,420	14,963	0	33,383	1,343	153	21	1,517	83,406	118,306
2007	158,863	20,741	559	180,163	16,954	14,425	0	31,379	1,575	34	50	1,659	94,810	127,848
2006	194,702	4,342	600	199,644	17,304	12,773	0	30,077	1,905	0	56	1,961	97,281	129,319
2005	230,546	3,030	875	234,451	18,850	9,861	0	28,711	2,273	0	57	2,330	86,915	117,956
2004	339,138	3,869	1,397	344,404	29,328	8,235	0	37,563	4,131	1	68	4,200	108,809	150,572
2003	400,863	3,149	1,910	405,922	30,356	558	0	30,914	6,993	0	68	7,061	46,979	84,954
2002	373,958	3,827	2,598	380,383	32,617	207	0	32,824	15,436	0	85	15,521	28,157	76,502
2001	417,796	5,648	8,332	431,776	42,516	287	26	42,829	18,779	1	109	18,889	29,175	90,893
2000	Not Available Before 2001	Not Available Before 2001	Not Available Before 2001	351,066	Not Available Before 2001	Not Available Before 2001	Not Available Before 2001	33,290	Not Available Before 2001	Not Available Before 2001	Not Available Before 2001	23,768	34,266	91,324
1999				281,714				25,577				23,701	31,673	80,951
1998				197,375				23,453				8,638	19,585	51,676
1997				130,444				5,262				7,696	5,554	18,512
1996				102,607				3,623				4,780	1,486	9,889
1995				69,729				3,233				2,978	747	6,958
1994				43,998				564				3,182	1	3,747
1993				24,219				Not Available Before 1994				972	2	974
1992				20,535								168	3	171
1991				16,700								180	93	273
1990				11,758								191	352	543
1989				11,720								202	831	1,033
1988				8,153								26	810	836
1987				4,226								Not Available Before 1988	1,036	1,036
1986				1,606									1,591	1,591
1985				435									Not Available Before 1986	Not Available Before 1986
1984				477										
1983				Not Available Before 1984										

Source: Fannie Mae

a Unpaid principal balance. Amounts for 2002 to 2009 exclude mortgage-related securities consolidated as loans at period end.

b Beginning in 2010, excludes effect of accounting guidance related to transfers of financial assets and consolidation of variable interest entities, effective January 1, 2010. Amounts for 2010 have been revised from amounts previously reported to reflect this exclusion.

c Beginning in Q3 2015, we reclassified certain Fannie Mae Single-Family securities from fixed-rate to adjustable-rate.

d Excludes mortgage revenue bonds.

TABLE 5B • FANNIE MAE MORTGAGE ASSETS HELD FOR INVESTMENT DETAIL – PART 2, MORTGAGE-RELATED SECURITIES, PRIVATE-LABEL DETAIL

End of Period	Mortgage-Related Securities ($ in Millions)[a]								
	Private-Label								
	Single-Family[b]								
	Manufactured Housing ($)	Subprime		Alt-A		Other		Multifamily ($)	Total Private-Label ($)
		Fixed-Rate ($)	Adjustable-Rate ($)	Fixed-Rate ($)	Adjustable-Rate ($)	Fixed-Rate ($)	Adjustable-Rate ($)		
4Q21	0	0	138	1	2	5	194	0	340
3Q21	0	0	148	1	2	5	201	0	357
2Q21	0	0	158	1	2	4	214	0	379
1Q21	26	0	164	1	2	4	227	0	424
Annual Data									
2021	0	0	138	1	2	5	194	0	340
2020	28	0	169	1	2	4	237	0	441
2019	36	0	832	2	40	5	294	0	1,209
2018	43	0	2,392	2	218	6	325	0	2,986
2017	51	0	1,135	3	965	8	358	24	2,544
2016	72	4	2,487	4	1,881	33	407	1,567	6,455
2015	460	5	5,208	567	2,914	89	970	3,516	13,729
2014	1,699	194	8,719	4,329	3,416	149	1,194	3,688	23,388
2013	1,902	218	12,104	3,512	7,641	168	1,322	3,987	30,854
2012	2,140	299	14,794	6,423	10,656	190	1,477	20,594	56,573
2011	2,387	331	16,207	6,232	13,438	208	1,590	23,238	63,631
2010	2,660	361	17,678	7,119	15,164	237	1,700	25,067	69,986
2009	2,485	391	20,136	7,515	16,990	255	1,849	25,723	75,344
2008	2,840	438	24,113	8,444	19,414	286	2,021	25,850	83,406
2007	3,316	503	31,537	9,221	23,254	319	1,187	25,473	94,810
2006	3,902	268	46,608	10,722	24,402	376	1,282	9,721	97,281
2005	4,622	431	46,679	11,848	21,203	634	1,455	43	86,915
2004	5,461	889	73,768	11,387	14,223	2,535	487	59	108,809
2003	6,522	1,437	27,738	8,429	383	1,944	428	98	46,979
2002	9,583	2,870	6,534	3,905	20	3,773	1,325	147	28,157
2001	10,708	Not Available Before 2002	Not Available Before 2002	Not Available Before 2002	Not Available Before 2002	Not Available Before 2002	Not Available Before 2002	299	29,175
2000	Not Available Before 2001							Not Available Before 2001	34,266
1999									31,673
1998									19,585
1997									5,554
1996									1,486
1995									747
1994									1
1993									2
1992									3
1991									93
1990									352
1989									831
1988									810
1987									1,036
1986									1,591

Source: Fannie Mae

[a] Unpaid principal balance. Beginning in 2010, excludes effect of accounting guidance related to transfers of financial assets and consolidation of variable interest entities, effective January 1, 2010. Amounts for 2010 have been revised from amounts previously reported to reflect this exclusion.

[b] Beginning in Q3 2015, we reclassified certain Single-Family securities from fixed-rate to adjustable-rate.

TABLE 5B • FANNIE MAE MORTGAGE ASSETS HELD FOR INVESTMENT DETAIL – PART 3, MORTGAGE-RELATED SECURITIES

End of Period	Mortgage-Related Securities ($ in Millions)		($ in Millions)			
	Mortgage Revenue Bonds[a] ($)	Total Mortgage-Related Securities[a,b] ($)	Unamortized Premiums, Discounts, Deferred Adjustments, and Fair-Value Adjustments on Securities and Loans[b,c] ($)	Mortgage Assets Held for Investment (Net)[b] ($)	Mortgage Assets Held for Investment (Gross)[b,d] ($)	Limit on Mortgage Assets Held for Investment (Gross)[e] ($)
4Q21	144	41,584	(172)	109,049	109,221	250,000
3Q21	164	30,650	(266)	110,643	110,910	250,000
2Q21	170	33,521	(456)	123,530	123,986	250,000
1Q21	188	43,089	(1,194)	156,053	157,247	250,000
Annual Data						
2021	144	41,584	(172)	109,049	109,221	250,000
2020	214	43,171	375	163,025	162,650	250,000
2019	313	48,053	(2,284)	151,327	153,611	250,000
2018	431	52,478	(3,619)	175,534	179,153	250,000
2017	665	53,418	(6,044)	224,739	230,783	288,400
2016	1,278	52,285	(9,570)	262,784	272,354	339,300
2015	3,105	91,511	(8,446)	336,657	345,103	399,200
2014	4,556	127,703	(6,861)	406,452	413,313	422,700
2013	6,319	176,037	(10,302)	480,399	490,701	552,500
2012	8,486	261,346	(6,267)	626,787	633,054	650,000
2011	10,899	310,143	(9,784)	698,630	708,414	729,000
2010	12,525	361,697	(12,284)	776,487	788,771	810,000
2009	14,453	352,709	(23,981)	745,271	769,252	900,000
2008	15,447	362,703	(24,207)	767,989	Not Applicable Before 2009	Not Applicable Before 2009
2007	16,315	324,326	(4,283)	723,620		
2006	16,924	345,887	(2,498)	726,434		
2005	18,802	371,209	(1,086)	736,803		
2004	22,076	517,052	7,985	925,194		
2003	20,359	511,235	10,721	919,589		
2002	19,650	476,535	20,848	820,627		
2001	18,377	541,046	(2,104)	706,347		
2000	15,227	457,617	(2,520)	607,731		
1999	12,171	374,836	(964)	523,103		
1998	9,685	258,736	919	415,434		
1997	7,620	156,576	(86)	316,592		
1996	6,665	119,161	(525)	286,527		
1995	5,343	82,030	(643)	252,868		
1994	3,403	51,148	(1,242)	220,815		
1993	2,519	27,712	(692)	190,169		
1992	2,816	23,522	(1,859)	156,260		
1991	2,759	19,732	(2,304)	126,679		
1990	2,530	14,831	(2,562)	114,066		
1989	2,239	14,992	(2,740)	107,981		
1988	1,804	10,793	(2,914)	100,099		
1987	1,866	7,128	(3,081)	93,665		
1986	469	Not Available Before 1987	(3,710)	94,123		
1985	Not Available Before 1986		(4,040)	95,250		
1984			(3,974)	84,695		
1983			(3,009)	75,782		
1982			(2,458)	69,842		
1981			(1,783)	59,949		
1980			(1,738)	55,878		
1979			(1,320)	49,777		
1978			(1,212)	42,103		
1977			(1,125)	33,252		
1976			(1,162)	31,775		
1975			(1,096)	30,821		
1974			(1,042)	28,665		
1973			(870)	23,579		
1972			(674)	19,650		
1971			(629)	17,886		

Source: Fannie Mae

N/A = not applicable

[a] Unpaid principal balance.

[b] Beginning in 2010, excludes effect of accounting guidance related to transfers of financial assets and consolidation of variable interest entities, effective January 1, 2010. Amounts for 2010 have been revised from amounts previously reported to reflect this exclusion.

[c] Includes unamortized premiums, discounts, deferred adjustments, and fair-value adjustments on securities and loans. Beginning in 2002, amounts include fair-value adjustments and impairments on mortgage-related securities and securities commitments classified as trading and available-for-sale. Excludes allowance for loan losses on loans held for investment and allowance for credit losses on Available for Sale Securities.

[d] Amounts for 2010 and later meet the definition of mortgage assets in the Treasury Senior Preferred Stock Purchase Agreement for the purpose of determining the maximum amount of mortgage assets that may be held. The amount for 2009 includes consolidation of variable interest entities. The 2009 amount would have been $772.5 billion excluding consolidation of variable interest entities.

[e] Maximum allowable mortgage assets under the Treasury Senior Preferred Stock Purchase Agreement.

TABLE 6 • FANNIE MAE FINANCIAL DERIVATIVES

End of Period	Financial Derivatives - Notional Amount Outstanding ($ in Millions)						
	Interest Rate Swaps[a] ($)	Interest Rate Caps, Floors, and Corridors ($)	Foreign Currency Contracts ($)	Over-the-Counter Futures, Options, and Forward Rate Agreements[b] ($)	Mandatory Mortgage Purchase & Sell Commitments ($)	Other[c] ($)	Total ($)
4Q21	158,974	0	336	5,432	182,386	19,256	366,384
3Q21	185,973	0	334	5,710	239,310	18,260	449,587
2Q21	202,462	0	343	6,180	284,636	20,779	514,400
1Q21	212,867	0	479	10,232	455,483	24,489	703,550
Annual Data							
2021	158,974	0	336	5,432	182,386	19,256	366,384
2020	226,306	0	476	76,008	408,192	28,197	739,179
2019	170,464	0	461	38,957	192,341	37,918	440,141
2018	240,741	0	444	35,881	117,007	34,350	428,423
2017	294,339	0	470	30,565	177,613	13,240	516,227
2016	307,034	0	430	25,205	148,472	15,078	496,219
2015	384,184	0	553	41,191	125,443	0	551,371
2014	404,375	0	617	67,900	119,026	0	591,918
2013	413,738	500	1,042	137,450	72,937	0	625,667
2012	572,349	6,500	1,195	121,910	159,057	0	861,011
2011	426,688	7,000	1,032	178,470	101,435	0	714,625
2010	502,578	7,000	1,560	176,010	119,870	0	807,018
2009	661,990	7,000	1,537	174,680	121,947	0	967,154
2008	1,023,384	500	1,652	173,060	71,236	0	1,269,832
2007	671,274	2,250	2,559	210,381	55,366	0	941,830
2006	516,571	14,000	4,551	210,271	39,928	0	785,321
2005	317,470	33,000	5,645	288,000	39,194	0	683,309
2004	256,216	104,150	11,453	318,275	40,600	0	730,694
2003	598,288	130,350	5,195	305,175	43,560	0	1,082,568
2002	253,211	122,419	3,932	275,625	Not Available Before 2003	0	655,187
2001	299,953	75,893	8,493	148,800		0	533,139
2000	227,651	33,663	9,511	53,915		0	324,740
1999	192,032	28,950	11,507	41,081		1,400	274,970
1998	142,846	14,500	12,995	13,481		3,735	187,557
1997	149,673	100	9,968	0		1,660	161,401
1996	158,140	300	2,429	0		350	161,219
1995	125,679	300	1,224	29		975	128,207
1994	87,470	360	1,023	0		1,465	90,317
1993	49,458	360	1,023	0		1,425	52,265
1992	24,130	0	1,177	0		1,350	26,658
1991	9,100	0	Not Available Before 1992	50		1,050	10,200
1990	4,800	0		25		1,700	6,525

Source: Fannie Mae

[a] Beginning in 2002, includes mortgage-backed securities options, swap credit enhancements, and forward-starting debt. Forward-starting debt is a commitment to issue debt at some future time (generally to fund a purchase or commitment that starts at the agreed future time).

[b] Beginning in 2010, includes exchange-traded futures, if applicable.

[c] Beginning in 2016, includes credit risk transfer transactions that we account for as derivatives.

TABLE 7 • FANNIE MAE NONMORTGAGE INVESTMENTS

End of Period	Nonmortgage Investments ($ in Millions)[a]					
	Federal Funds and Eurodollars ($)	Asset-Backed Securities ($)	Repurchase Agreements[b] ($)	Commercial Paper and Corporate Debt[c] ($)	Other[d] ($)	Total ($)
4Q21	0	0	20,743	19	83,581	104,343
3Q21	0	0	27,610	20	92,192	119,822
2Q21	0	0	43,888	73	89,707	133,668
1Q21	0	0	54,937	73	105,601	160,611
Annual Data						
2021	0	0	20,743	19	83,581	104,343
2020	0	0	28,200	73	130,456	158,729
2019	0	0	13,578	79	39,501	53,158
2018	0	0	32,938	89	35,502	68,529
2017	0	0	19,470	0	29,222	48,692
2016	0	0	30,415	0	32,317	62,732
2015	0	0	27,350	0	29,485	56,835
2014	0	0	30,950	0	19,466	50,416
2013	0	0	38,975	0	16,306	55,281
2012	0	0	32,500	0	17,950	50,450
2011	0	2,111	46,000	0	47,737	95,848
2010	5,000	5,321	6,750	0	27,432	44,503
2009	44,900	8,515	4,000	364	3	57,782
2008	45,910	10,598	8,000	6,037	1,005	71,550
2007	43,510	15,511	5,250	13,515	9,089	86,875
2006	9,410	18,914	0	27,604	1,055	56,983
2005	8,900	19,190	0	16,979	947	46,016
2004	3,860	25,644	70	16,435	1,829	47,839
2003	12,575	26,862	111	17,700	2,270	59,518
2002	150	22,312	181	14,659	2,074	39,376
2001	16,089	20,937	808	23,805	4,343	65,982
2000	7,539	17,512	87	8,893	18,316	52,347
1999	4,837	19,207	122	1,723	11,410	37,299
1998	7,926	20,993	7,556	5,155	16,885	58,515
1997	19,212	16,639	6,715	11,745	10,285	64,596
1996	21,734	14,635	4,667	6,191	9,379	56,606
1995	19,775	9,905	10,175	8,629	8,789	57,273
1994	17,593	3,796	9,006	7,719	8,221	46,335
1993	4,496	3,557	4,684	0	8,659	21,396
1992	6,587	4,124	3,189	0	5,674	19,574
1991	2,954	2,416	2,195	0	2,271	9,836
1990	5,329	1,780	951	0	1,808	9,868
1989	5,158	1,107	0	0	2,073	8,338
1988	4,125	481	0	0	683	5,289
1987	2,559	25	0	0	884	3,468
1986	1,530	0	0	0	245	1,775
1985	1,391	0	0	0	75	1,466
1984	1,575	0	0	0	265	1,840
1983	9	0	0	0	227	236
1982	1,799	0	0	0	631	2,430
1981	Not Available Before 1982	Not Available Before 1982	Not Available Before 1982	Not Available Before 1982	Not Available Before 1982	1,047
1980						1,556
1979						843
1978						834
1977						318
1976						245
1975						239
1974						466
1973						227
1972						268
1971						349

Source: Fannie Mae

a Data reflect unpaid principal balance net of unamortized purchase premiums, discounts and cost-basis adjustments, fair-value adjustments, and impairments on available-for-sale and trading securities.

b Since 2005, advances to lenders have not been included in the data. Amounts for years before 2005 may include or consist of advances to lenders. Includes tri-party repurchase agreements.

c Includes corporate bonds.

d Includes Treasury and agency securities, Yankee Bonds, and domestic certificates of deposit.

TABLE 8 • FANNIE MAE MORTGAGE ASSET QUALITY

End of Period	Mortgage Asset Quality				
	Single-Family Serious Delinquency Rate[a] (%)	Multifamily Serious Delinquency Rate[b] (%)	Credit (Income) Losses as a Proportion of the Guarantee Book of Business[c, d] (%)	Real Estate Owned as a Proportion of the Guarantee Book of Business[d] (%)	Credit-Enhanced Outstanding as a Proportion of the Guarantee Book of Business[e] (%)
4Q21	1.25%	0.42%	(0.06)%	0.03%	41.17%
3Q21	1.62%	0.42%	(0.03)%	0.03%	40.02%
2Q21	2.08%	0.53%	(0.05)%	0.03%	41.61%
1Q21	2.58%	0.66%	0.01%	0.03%	44.60%
Annual Data					
2021	1.25%	0.42%	(0.06)%	0.03%	41.17%
2020	2.87	0.98	(0.03)	0.04	47.75
2019	0.66	0.04	0.05	0.07	57.42
2018	0.76	0.06	0.07	0.08	51.0
2017	1.24	0.11	0.10	0.10	44.3
2016	1.20	0.05	0.12	0.15	37.2
2015	1.55	0.07	0.35	0.22	23.1
2014	1.89	0.05	0.20	0.35	20.9
2013	2.38	0.10	0.15	0.38	19.6
2012	3.29	0.24	0.48	0.35	18.8
2011	3.91	0.59	0.61	0.37	18.4
2010	4.48	0.71	0.77	0.53	19.1
2009	5.38	0.63	0.45	0.30	21.2
2008	2.42	0.30	0.23	0.23	23.9
2007	0.98	0.08	0.05	0.13	23.7
2006	0.65	0.08	0.02	0.09	22.3
2005	0.79	0.32	0.01	0.08	21.8
2004	0.63	0.11	0.01	0.07	20.5
2003	0.60	0.29	0.01	0.06	22.6
2002	0.57	0.08	0.01	0.05	26.8
2001	0.55	0.27	0.01	0.04	34.2
2000	0.45	0.07	0.01	0.05	40.4
1999	0.47	0.11	0.01	0.06	20.9
1998	0.56	0.23	0.03	0.08	17.5
1997	0.62	0.37	0.04	0.10	12.8
1996	0.58	0.68	0.05	0.11	10.5
1995	0.56	0.81	0.05	0.08	10.6
1994	0.47	1.21	0.06	0.10	10.2
1993	0.48	2.34	0.04	0.10	10.6
1992	0.53	2.65	0.04	0.09	15.6
1991	0.64	3.62	0.04	0.07	22.0
1990	0.58	1.70	0.06	0.09	25.9
1989	0.69	3.20	0.07	0.14	Not Available Before 1990
1988	0.88	6.60	0.11	0.15	
1987	1.12	Not Available Before 1988	0.11	0.18	
1986	1.38		0.12	0.22	
1985	1.48		0.13	0.32	
1984	1.65		0.09	0.33	
1983	1.49		0.05	0.35	
1982	1.41		0.01	0.20	
1981	0.96		0.01	0.13	
1980	0.90		0.01	0.09	
1979	0.56		0.02	0.11	
1978	0.55		0.02	0.18	
1977	0.46		0.02	0.26	
1976	1.58		0.03	0.27	
1975	0.56		0.03	0.51	
1974	0.51		0.02	0.52	
1973	Not Available Before 1974		0.00	0.61	
1972			0.02	0.98	
1971			0.01	0.59	

Source: Fannie Mae

a Single-family loans are seriously delinquent when the loans are 90 days or more past due or in the foreclosure process. Rate is calculated using the number of conventional single-family loans owned and backing Fannie Mae mortgage-backed securities (MBS). Includes loans referred to foreclosure proceedings but not yet foreclosed. Prior to 1988, data included all seriously delinquent loans for which Fannie Mae had primary risk of loss. Beginning in 1998, data include all seriously delinquent conventional loans owned or backing Fannie Mae MBS with and without primary mortgage insurance or credit enhancement. Data prior to 1992 include loans and securities in relief or bankruptcy, even if the loans were less than 90 days delinquent, calculated based on number of loans.

b Before 1998, data include multifamily loans for which Fannie Mae had primary risk of loss. Beginning in 1998, data include all multifamily loans and securities 60 days or more past due. Beginning in 2002, rate is calculated using the unpaid principal balance of multifamily loans owned by Fannie Mae or underlying Fannie Mae guaranteed securities as the denominator. For the period 1998 to 2001, the denominator also includes other credit enhancements Fannie Mae provides on multifamily mortgage assets and multifamily non-Fannie Mae mortgage-related securities held for investment.

c Beginning in 2020, credit (income) losses consists of write-offs, recoveries, foreclosed property income (expense), write-offs on the redesignation of mortgage loans and gains on sales and other valuation adjustments. Before 2020 credit (income) losses consisted of charge-offs, net of recoveries and foreclosed property expense (income). Average balances used to calculate ratios subsequent to 1994. Quarterly data are annualized. Beginning in 2005, credit losses exclude the impact of fair-value losses of credit impaired loans acquired from MBS trusts. Beginning in 2008, credit losses also exclude the effect of HomeSaver Advance program fair-value losses.

d Guaranty book of business refers to the sum of the unpaid principal balance of mortgage loans held as investments, Fannie Mae MBS held as investments, Fannie Mae MBS held by third parties, and other credit enhancements Fannie Mae provides on mortgage assets. It excludes non-Fannie Mae mortgage-related securities held for investment that Fannie Mae does not guarantee. Before 2005, the ratio was based on the mortgage credit book of business, which consists of the guaranty book of business plus non-Fannie Mae mortgage-related securities held as investments not guaranteed by Fannie Mae.

e Beginning in 2000, the credit-enhanced category was expanded to include loans with primary mortgage insurance. Amounts for periods before 2000 reflect the proportion of assets held for investment with additional recourse from a third party to accept some or all of the expected losses on defaulted mortgages. Additionally, beginning in Q4 2016, the credit-enhanced category was expanded to include credit enhancements from Connecticut Avenue Securities (CAS) transactions.

TABLE 9 • FANNIE MAE CAPITAL

End of Period	Capital ($ in Millions)[a]									
	Minimum Capital Requirement			Risk-Based Capital Requirement						
	Core Capital[b] ($)	Minimum Capital Requirement[c] ($)	Minimum Capital Surplus (Deficit)[d] ($)	Total Capital[e] ($)	Risk-Based Capital Requirement[f] ($)	Risk-Based Capital Surplus (Deficit)[g] ($)	Market Capitalization[h] ($)	Core Capital/Total Assets[i] (%)	Core Capital/ Total Assets Plus Unconsolidated MBS[i, j] (%)	Common Share Dividend Payout Rate[k] (%)
4Q21	(73,517)	26,810	(100,327)	N/A	N/A	N/A	950	(1.74)	(1.74)	N/A
3Q21	(78,707)	27,820	(106,527)	N/A	N/A	N/A	973	(1.87)	(1.87)	N/A
2Q21	(83,549)	27,953	(111,502)	N/A	N/A	N/A	1,807	(2.01)	(2.01)	N/A
1Q21	(90,701)	28,835	(119,536)	N/A	N/A	N/A	2,397	(2.23)	(2.23)	N/A
Annual Data										
2021	(73,517)	26,810	(100,327)	N/A	N/A	N/A	950	(1.74)	(1.74)	N/A
2020	(95,694)	28,603	(124,297)	N/A	N/A	N/A	2,768	(2.40)	(2.40)	N/A
2019	(106,360)	22,392	(128,752)	N/A	N/A	N/A	$3,613	(3.03)	(3.03)	N/A
2018	(114,919)	22,216	(137,135)	N/A	N/A	N/A	1,228	(3.36)	(3.36)	N/A
2017	(121,389)	23,007	(144,396)	N/A	N/A	N/A	3,069	(3.63)	(3.62)	N/A
2016	(111,836)	24,351	(136,187)	N/A	N/A	N/A	4,517	(3.40)	(3.39)	N/A
2015	(114,526)	25,144	(139,670)	N/A	N/A	N/A	1,899	(3.55)	(3.54)	N/A
2014	(115,202)	27,044	(142,246)	N/A	N/A	N/A	2,380	(3.55)	(3.53)	N/A
2013	(108,811)	28,472	(137,283)	N/A	N/A	N/A	3,486	(3.33)	(3.31)	N/A
2012	(110,350)	30,862	(141,212)	N/A	N/A	N/A	295	(3.42)	(3.41)	N/A
2011	(115,967)	32,463	(148,430)	N/A	N/A	N/A	233	(3.61)	(3.59)	N/A
2010	(89,516)	33,676	(123,192)	N/A	N/A	N/A	336	(2.78)	(2.76)	N/A
2009	(74,540)	33,057	(107,597)	N/A	N/A	N/A	1,314	(8.58)	(2.26)	N/A
2008	(8,641)	33,552	(42,193)	N/A	N/A	N/A	825	(0.95)	(0.27)	N/M
2007	45,373	31,927	13,446	48,658	24,700	23,958	38,946	5.14	1.51	N/M
2006	41,950	29,359	12,591	42,703	26,870	15,833	57,735	4.97	1.60	32.4
2005	39,433	28,233	11,200	40,091	12,636	27,455	47,373	4.73	1.62	17.2
2004	34,514	32,121	2,393	35,196	10,039	25,157	69,010	3.38	1.42	42.1
2003	26,953	31,816	(4,863)	27,487	27,221	266	72,838	2.64	1.16	20.8
2002	20,431	27,688	(7,257)	20,831	17,434	3,397	63,612	2.26	1.05	34.5
2001	25,182	24,182	1,000	25,976	Not Applicable Before 2002	Not Applicable Before 2002	79,281	3.15	1.51	23.0
2000	20,827	20,293	533	21,634			86,643	3.08	1.51	26.0
1999	17,876	17,770	106	18,677			63,651	3.11	1.43	28.8
1998	15,465	15,334	131	16,257			75,881	3.19	1.38	29.5
1997	13,793	12,703	1,090	14,575			59,167	3.52	1.42	29.4
1996	12,773	11,466	1,307	13,520			39,932	3.64	1.42	30.4
1995	10,959	10,451	508	11,703			33,812	3.46	1.32	34.6
1994	9,541	9,415	126	10,368			19,882	3.50	1.26	30.8
1993	8,052	7,064	988	8,893			21,387	3.71	1.17	26.8
1992	Not Applicable Before 1993	Not Applicable Before 1993	Not Applicable Before 1993	Not Applicable Before 1993			20,874	Not Applicable Before 1993	Not Applicable Before 1993	23.2
1991							18,836			21.3
1990							8,490			14.7
1989							8,092			12.8
1988							3,992			11.2
1987							2,401			11.7
1986							3,006			8.0
1985							1,904			30.1
1984							1,012			N/A
1983							1,514			13.9
1982							1,603			N/A
1981							502			N/A
1980							702			464.2
1979							Not Available Before 1980			45.7
1978										30.3
1977										31.8
1976										33.6
1975										31.8
1974										29.6
1973										18.1
1972										15.2
1971										18.7

Sources: Fannie Mae and FHFA

N/A = not applicable **N/M = not meaningful**

a On October 9, 2008, the Federal Housing Finance Agency (FHFA) suspended capital classifications of Fannie Mae. As of the fourth quarter of 2008, neither the existing statutory nor the FHFA-directed regulatory capital requirements were binding and will not be binding during conservatorship.

b The sum of the stated value of outstanding common stock (common stock less treasury stock), the stated value of outstanding noncumulative perpetual preferred stock, paid-in capital, and retained earnings (accumulated deficit). Core capital excludes accumulated other comprehensive income (loss) and senior preferred stock.

c Beginning in the third quarter of 2005, FHFA required Fannie Mae to maintain an additional 30 percent capital in excess of the statutory minimum capital requirement. The regulator reduced the requirement to 20 percent as of the first quarter of 2008 and to 15 percent as of the second quarter of 2008. The minimum capital requirement and minimum capital surplus numbers stated in this table do not reflect these additional capital requirements.

d Minimum capital surplus is the difference between core capital and minimum capital requirement.

e Total capital is core capital plus the total allowance for loan losses and guaranty liability for mortgage-backed securities (MBS), less any specific loss allowances.

f Risk-based capital requirement is the amount of total capital an Enterprise must hold to absorb projected losses flowing from future adverse interest rate and credit risk conditions and is specified by the Federal Housing Enterprises Financial Safety and Soundness Act of 1992. For 2004 through 2006, the requirements were calculated based on originally reported, not restated or revised, financial results.

g The difference between total capital and the risk-based capital requirement. For 2004 through 2006, the difference reflects restated and revised total capital, rather than total capital originally reported by Fannie Mae and used by FHFA to set capital classifications. FHFA is not reporting on risk-based capital levels during conservatorship.

h Stock price at the end of the period multiplied by the number of outstanding common shares.

i Adoption of accounting guidance related to transfers of financial assets and consolidation of variable interest entities, effective January 1, 2010, significantly changed presentation of this item in the financial statements. Financial results for 2010 and beyond are not directly comparable to previous years.

j Unconsolidated MBS are those held by third parties.

k Common dividends declared during the period divided by net income available to common stockholders for the period. As a result of conservatorship status and the terms of the Senior Preferred Stock Purchase Agreement with Treasury, no amounts are available to distribute as dividends to common or preferred stockholders (other than to Treasury as holder of the Senior Preferred Stock).

TABLE 10 • FREDDIE MAC MORTGAGE PURCHASES

Period	Business Activity ($ in Millions)			
	Purchases[a]			
	Single-Family ($)	Multifamily ($)	Total Mortgages[b] ($)	Mortgage-Related Securities[c,d] ($)
4Q21	270,857	25,316	296,173	81,178
3Q21	298,439	17,718	316,157	81,621
2Q21	288,467	13,052	301,519	62,963
1Q21	361,816	13,913	375,729	57,978
Annual Data				
2021	1,219,579	69,999	1,289,578	283,740
2020	1,090,067	82,534	1,172,601	158,086
2019	453,481	77,853	531,334	93,267
2018	308,197	77,457	385,654	66,763
2017	343,566	73,201	416,767	81,592
2016	392,507	56,830	449,337	77,239
2015	350,560	47,264	397,824	58,580
2014	255,253	28,336	283,589	59,690
2013	422,742	25,872	448,614	49,383
2012	426,849	28,774	455,623	16,627
2011	320,793	20,325	341,118	108,281
2010	386,378	15,372	401,750	46,134
2009	475,350	16,571	491,921	236,856
2008	357,585	23,972	381,557	297,614
2007	466,066	21,645	487,711	231,039
2006	351,270	13,031	364,301	241,205
2005	381,673	11,172	392,845	325,575
2004	354,812	12,712	367,524	223,299
2003	701,483	15,292	716,775	385,078
2002	533,194	10,654	543,848	299,674
2001	384,124	9,510	393,634	248,466
2000	168,013	6,030	174,043	91,896
1999	232,612	7,181	239,793	101,898
1998	263,490	3,910	267,400	128,446
1997	115,160	2,241	117,401	35,385
1996	122,850	2,229	125,079	36,824
1995	89,971	1,565	91,536	39,292
1994	122,563	847	123,410	19,817
1993	229,051	191	229,242	Not Available Before 1994
1992	191,099	27	191,126	
1991	99,729	236	99,965	
1990	74,180	1,338	75,518	
1989	76,765	1,824	78,589	
1988	42,884	1,191	44,075	
1987	74,824	2,016	76,840	
1986	99,936	3,538	103,474	
1985	42,110	1,902	44,012	
1984	Not Available Before 1985	Not Available Before 1985	21,885	
1983			22,952	
1982			23,671	
1981			3,744	
1980			3,690	
1979			5,716	
1978			6,524	
1977			4,124	
1976			1,129	
1975			1,716	
1974			2,185	
1973			1,334	
1972			1,265	
1971			778	

Source: Freddie Mac

a Based on unpaid principal balances. Excludes mortgage loans and mortgage-related securities traded but not yet settled.

b Consists of loans purchased from lenders, as well as those loans covered under other mortgage-related guarantees.

c Not included in total mortgages. From 2002-through the current period, amounts include non-Freddie Mac mortgage-related securities as well as repurchased Freddie Mac mortgage-backed securities (MBS) held for investment. Before 2002, amounts exclude Freddie Mac real estate mortgage investment conduits and other structured securities backed by Ginnie Mae MBS. Amounts in 2010 through the current period, include purchases of Freddie Mac MBS, most accounted for as debt extinguishments under Generally Accepted Accounting Principles rather than as investment in securities.

d Freddie Mac mortgage-related securities include mortgage-related securities issued or guaranteed by Freddie Mac. In prior periods, certain of these securities that were issued by third-party trusts but guaranteed by Freddie Mac were classified as non-agency mortgage-related securities. The "total private-label" data for 2009 and later periods have been revised to conform to the current period presentation.

TABLE 10A • FREDDIE MAC MORTGAGE PURCHASES DETAIL BY TYPE OF LOAN

Period	Purchases ($ in Millions)[a]											
	Single-Family Mortgages								Multifamily Mortgages			
	Conventional				FHA/VA[d]			Total Single-Family Mortgages ($)				Total Mortgage Purchases ($)
	Fixed-Rate[b] ($)	Adjustable-Rate[c] ($)	Seconds ($)	Total ($)	Fixed-Rate ($)	Adjustable-Rate ($)	Total ($)		Conventional ($)	FHA/RD ($)	Total Multi-family Mortgages ($)	
4Q21	269,465	1,346	0	270,811	46	0	46	270,857	25,316	0	25,316	296,173
3Q21	295,990	2,384	0	298,374	65	0	65	298,439	17,718	0	17,718	316,157
2Q21	286,990	1,391	0	288,381	86	0	86	288,467	13,052	0	13,052	301,519
1Q21	361,640	108	0	361,748	68	0	68	361,816	13,913	0	13,913	375,729
Annual Data												
2021	1,214,085	5,229	0	1,219,314	265	0	265	1,219,579	69,999	0	69,999	1,289,578
2020	1,085,983	3,788	0	1,089,771	296	0	296	1,090,067	82,534	0	82,534	1,172,601
2019	448,060	5,257	0	453,317	164	0	164	453,481	77,853	0	77,853	531,334
2018	304,246	3,848	0	308,094	103	0	103	308,197	77,457	0	77,457	385,654
2017	333,612	9,841	0	343,453	113	0	113	343,566	73,201	0	73,201	416,767
2016	385,806	6,555	0	392,361	146	0	146	392,507	56,830	0	56,830	449,337
2015	337,637	12,760	0	350,397	163	0	163	350,560	47,264	0	47,264	397,824
2014	239,469	15,711	0	255,180	73	0	73	255,253	28,336	0	28,336	283,589
2013	406,605	16,007	0	422,612	130	0	130	422,742	25,872	0	25,872	448,614
2012	408,576	18,075	0	426,651	198	0	198	426,849	28,774	0	28,774	455,623
2011	294,918	25,685	0	320,603	190	0	190	320,793	20,325	0	20,325	341,118
2010	368,352	17,435	0	385,787	591	0	591	386,378	15,372	0	15,372	401,750
2009	470,355	3,615	0	473,970	1,380	0	1,380	475,350	16,571	0	16,571	491,921
2008	327,006	30,014	0	357,020	565	0	565	357,585	23,972	0	23,972	381,557
2007	387,760	78,149	0	465,909	157	0	157	466,066	21,645	0	21,645	487,711
2006	272,875	77,449	0	350,324	946	0	946	351,270	13,031	0	13,031	364,301
2005	313,842	67,831	0	381,673	0	0	0	381,673	11,172	0	11,172	392,845
2004	293,830	60,663	0	354,493	319	0	319	354,812	12,712	0	12,712	367,524
2003	617,796	82,270	0	700,066	1,417	0	1,417	701,483	15,292	0	15,292	716,775
2002	468,901	63,448	0	532,349	845	0	845	533,194	10,654	0	10,654	543,848
2001	353,056	30,780	0	383,836	288	0	288	384,124	9,507	3	9,510	393,634
2000	145,744	21,201	0	166,945	1,068	0	1,068	168,013	6,030	0	6,030	174,043
1999	224,040	7,443	0	231,483	1,129	0	1,129	232,612	7,181	0	7,181	239,793
1998	256,008	7,384	0	263,392	98	0	98	263,490	3,910	0	3,910	267,400
1997	106,174	8,950	0	115,124	36	0	36	115,160	2,241	0	2,241	117,401
1996	116,316	6,475	0	122,791	59	0	59	122,850	2,229	0	2,229	125,079
1995	75,867	14,099	0	89,966	5	0	5	89,971	1,565	0	1,565	91,536
1994	105,902	16,646	0	122,548	15	0	15	122,563	847	0	847	123,410
1993	208,322	20,708	1	229,031	20	0	20	229,051	191	0	191	229,242
1992	175,515	15,512	7	191,034	65	0	65	191,099	27	0	27	191,126
1991	91,586	7,793	206	99,585	144	0	144	99,729	236	0	236	99,965
1990	56,806	16,286	686	73,778	402	0	402	74,180	1,338	0	1,338	75,518
1989	57,100	17,835	1,206	76,141	624	0	624	76,765	1,824	0	1,824	78,589
1988	34,737	7,253	59	42,049	835	0	835	42,884	1,191	0	1,191	44,075
1987	69,148	4,779	69	73,996	828	0	828	74,824	2,016	0	2,016	76,840
1986	96,105	2,262	90	98,457	1,479	0	1,479	99,936	3,538	0	3,538	103,474
1985	40,226	605	34	40,865	1,245	0	1,245	42,110	1,902	0	1,902	44,012

Source: Freddie Mac

a Based on unpaid principal balances. Excludes mortgage loans and mortgage-related securities traded but not yet settled. Activity includes issuances of other mortgage-related guarantees for loans held by third parties.

b From 2002 through the current period, includes loans guaranteed by U.S. Department of Agriculture Rural Development (RD) loan programs.

c From 2001 to 2012, includes balloon/reset mortgages. Freddie Mac discontinued purchase of balloon/reset mortgages on January 1, 2013.

d FHA stands for Federal Housing Administration. VA stands for Department of Veterans Affairs.

TABLE 10B • FREDDIE MAC PURCHASES OF MORTGAGE-RELATED SECURITIES – PART 1

Period	Purchases ($ in Millions)[a]														
	Freddie Mac Securities[b]				Other Securities										
	Single-Family				Fannie Mae				Ginnie Mae[c]						
					Single-Family				Single-Family						
	Fixed-Rate ($)	Adjustable-Rate ($)	Multi-family ($)	Total Freddie Mac ($)	Fixed-Rate ($)	Adjustable-Rate ($)	Multi-family ($)	Total Fannie Mae ($)	Fixed-Rate ($)	Adjustable-Rate ($)	Multi-family ($)	Total Ginnie Mae ($)	Total Private-Label[d] ($)	Mortgage Revenue Bonds ($)	Total Mortgage-Related Securities[c] ($)
4Q21	77,976	514	0	78,490	2,663	25	0	2,688	0	0	0	0	0	0	81,178
3Q21	78,646	1,224	0	79,870	1,716	35	0	1,751	0	0	0	0	0	0	81,621
2Q21	60,595	808	0	61,403	1,560	0	0	1,560	0	0	0	0	0	0	62,963
1Q21	53,274	1	9	53,284	4,694	0	0	4,694	0	0	0	0	0	0	57,978
Annual Data															
2021	270,491	2,547	9	273,047	10,633	60	0	10,693	0	0	0	0	0	0	283,740
2020	147,467	487	0	147,954	10,051	81	0	10,132	0	0	0	0	0	0	158,086
2019	75,624	2,583	24	78,231	14,912	124	0	15,036	0	0	0	0	0	0	93,267
2018	61,614	3,339	321	65,274	18	1,471	0	1,489	0	0	0	0	0	0	66,763
2017	72,631	2,833	0	75,464	5,117	437	0	5,554	0	24	0	24	0	550	81,592
2016	65,274	5,981	12	71,267	5,345	485	0	5,830	0	142	0	142	0	0	77,239
2015	48,764	5,532	97	54,393	1,624	2,239	0	3,863	0	324	0	324	0	0	58,580
2014	43,922	7,568	392	51,882	2,695	5,005	0	7,700	0	73	0	73	35	0	59,690
2013	44,760	296	0	45,056	4,251	50	0	4,301	0	0	0	0	26	0	49,383
2012	13,272	3,045	119	16,436	0	170	0	170	0	0	0	0	21	0	16,627
2011	94,543	5,057	472	100,072	5,835	2,297	0	8,132	0	0	0	0	77	0	108,281
2010	40,462	923	382	41,767	0	373	0	373	0	0	0	0	3,994	0	46,134
2009	176,974	5,414	0	182,388	43,298	2,697	0	45,995	0	0	27	27	8,266	180	236,856
2008	192,701	26,344	111	219,156	49,534	18,519	0	68,053	0	0	8	8	10,316	81	297,614
2007	111,976	26,800	2,283	141,059	2,170	9,863	0	12,033	0	0	0	0	76,134	1,813	231,039
2006	76,378	27,146	0	103,524	4,259	8,014	0	12,273	0	0	0	0	122,230	3,178	241,205
2005	106,682	29,805	0	136,487	2,854	3,368	0	6,222	64	0	0	64	179,962	2,840	325,575
2004	72,147	23,942	146	96,235	756	3,282	0	4,038	0	0	0	0	121,082	1,944	223,299
2003	Not Available Before 2004	Not Available Before 2004	Not Available Before 2004	266,989	Not Available Before 2004	Not Available Before 2004	Not Available Before 2004	47,806	Not Available Before 2004	Not Available Before 2004	Not Available Before 2004	166	69,154	963	385,078
2002				192,817				45,798				820	59,376	863	299,674
2001				157,339				64,508				1,444	24,468	707	248,466
2000				58,516				18,249				3,339	10,304	1,488	91,896
1999				69,219				12,392				3,422	15,263	1,602	101,898
1998				107,508				3,126				319	15,711	1,782	128,446
1997				31,296				897				326	1,494	1,372	35,385
1996				33,338				Not Available Before 1997				Not Available Before 1997	Not Available Before 1997	Not Available Before 1997	36,824
1995				32,534											39,292
1994				19,817											19,817

Source: Freddie Mac

a Based on unpaid principal balances. Excludes mortgage loans and mortgage-related securities traded but not yet settled.

b Amounts for 2010 and later include purchases of Freddie Mac mortgage-backed securities (MBS), many accounted for as debt extinguishments under Generally Accepted Accounting Principles rather than as investment in securities. Amounts for 2012 and later primarily consists of third party purchases.

c Before 2002, amounts exclude real estate mortgage investment conduits and other structured securities backed by Ginnie Mae MBS.

d Freddie Mac mortgage-related securities include mortgage-related securities issued or guaranteed by Freddie Mac. In prior periods, certain of these securities that were issued by third-party trusts but guaranteed by Freddie Mac were classified as non-agency mortgage-related securities. 2009 and later periods have been revised to conform to the current period presentation.

TABLE 10B • FREDDIE MAC PURCHASES OF MORTGAGE-RELATED SECURITIES – PART 2, PRIVATE-LABEL DETAIL

Period	Purchases ($ in Millions)[a]								
	Private-Label								
	Single-Family							Multifamily[d] ($)	Total Private-Label ($)
	Manufactured Housing ($)	Subprime		Alt-A[b]		Other[c]			
		Fixed-Rate ($)	Adjustable-Rate ($)	Fixed-Rate ($)	Adjustable-Rate ($)	Fixed-Rate ($)	Adjustable-Rate ($)		
4Q21	0	0	0	0	0	0	0	0	0
3Q21	0	0	0	0	0	0	0	0	0
2Q21	0	0	0	0	0	0	0	0	0
1Q21	0	0	0	0	0	0	0	0	0
Annual Data									
2021	0	0	0	0	0	0	0	0	0
2020	0	0	0	0	0	0	0	0	0
2019	0	0	0	0	0	0	0	0	0
2018	0	0	0	0	0	0	0	0	0
2017	0	0	0	0	0	0	0	0	0
2016	0	0	0	0	0	0	0	0	0
2015	0	0	0	0	0	0	0	0	0
2014	0	0	0	0	0	0	0	35	35
2013	0	0	0	0	0	26	0	0	26
2012	0	0	0	0	0	21	0	0	21
2011	0	0	0	0	0	77	0	0	77
2010	0	0	0	0	0	3,172	0	822	3,994
2009	0	0	0	0	0	7,874	0	392	8,266
2008	0	60	46	0	618	8,175	0	1,417	10,316
2007	127	843	42,824	702	9,306	48	0	22,284	76,134
2006	0	116	74,645	718	29,828	48	0	16,875	122,230
2005	0	Not Available Before 2006	Not Available Before 2006	Not Available Before 2006	Not Available Before 2006	2,191	162,931	14,840	179,962
2004	0					1,379	108,825	10,878	121,082
2003	0					Not Available Before 2004	Not Available Before 2004	Not Available Before 2004	69,154
2002	318								59,376
2001	0								24,468
2000	15								10,304
1999	3,293								15,263
1998	1,630								15,711
1997	36								1,494

Source: Freddie Mac

a Based on unpaid principal balances. Excludes mortgage loans and mortgage-related securities traded but not yet settled.

b Includes Alt-A and option ARM private-label mortgage-related securities purchased for other securitization products. ARM stands for adjustable-rate mortgage.

c Freddie Mac mortgage-related securities include mortgage-related securities issued or guaranteed by Freddie Mac. In prior periods, certain of these securities that were issued by third-party trusts but guaranteed by Freddie Mac were classified as non-agency mortgage-related securities. 2016 and later periods have been revised to conform to the current period presentation.

d Freddie Mac mortgage-related securities include mortgage-related securities issued or guaranteed by Freddie Mac. In prior periods, certain of these securities that were issued by third-party trusts but guaranteed by Freddie Mac were classified as non-agency mortgage-related securities. 2009 and later periods have been revised to conform to the current period presentation.

TABLE 11 • FREDDIE MAC MBS ISSUANCES

Period	Business Activity ($ in Millions)			
	MBS Issuances[a]			
	Single-Family MBS[b] ($)	Multifamily MBS ($)	Total MBS[b] ($)	Multiclass MBS[c] ($)
4Q21	271,428	19,571	290,999	42,948
3Q21	303,199	14,909	318,108	66,531
2Q21	329,118	18,044	347,162	88,064
1Q21	348,944	21,087	370,031	79,320
Annual Data				
2021	1,252,689	73,611	1,326,300	276,863
2020	1,065,070	70,508	1,135,578	305,223
2019	453,747	67,908	521,655	135,912
2018	317,910	64,087	381,997	183,615
2017	354,131	62,571	416,702	126,752
2016	395,459	47,744	443,203	123,435
2015	356,599	33,392	389,991	82,620
2014	259,763	19,770	279,533	105,174
2013	435,499	25,267	460,766	111,436
2012	446,162	20,317	466,479	124,376
2011	304,629	12,632	317,261	166,539
2010	384,719	8,318	393,037	136,366
2009	472,461	2,951	475,412	86,202
2008	352,776	5,085	357,861	64,305
2007	467,342	3,634	470,976	133,321
2006	358,184	1,839	360,023	169,396
2005	396,213	1,654	397,867	208,450
2004	360,933	4,175	365,108	215,506
2003	705,450	8,337	713,787	298,118
2002	543,716	3,596	547,312	331,672
2001	387,234	2,357	389,591	192,437
2000	165,115	1,786	166,901	48,202
1999	230,986	2,045	233,031	119,565
1998	249,627	937	250,564	135,162
1997	113,758	500	114,258	84,366
1996	118,932	770	119,702	34,145
1995	85,522	355	85,877	15,372
1994	116,901	209	117,110	73,131
1993	208,724	0	208,724	143,336
1992	179,202	5	179,207	131,284
1991	92,479	0	92,479	72,032
1990	71,998	1,817	73,815	40,479
1989	72,931	587	73,518	39,754
1988	39,490	287	39,777	12,985
1987	72,866	2,152	75,018	0
1986	96,798	3,400	100,198	2,233
1985	37,583	1,245	38,828	2,625
1984	Not Available Before 1985	Not Available Before 1985	18,684	1,805
1983			19,691	1,685
1982			24,169	Not Issued Before 1983
1981			3,526	
1980			2,526	
1979			4,546	
1978			6,412	
1977			4,657	
1976			1,360	
1975			950	
1974			46	
1973			323	
1972			494	
1971			65	

Source: Freddie Mac

[a] Based on unpaid principal balances. Excludes mortgage loans, mortgage-related securities traded but not yet settled and unguaranteed subordinated whole loan securities. Includes issuance of other mortgage-related guarantees for mortgages not in the form of a security.

[b] Includes mortgage-backed securities (MBS), real estate mortgage investment conduits (REMICs), other structured securities, and other securitization products. From 2002 through the current period, includes Freddie Mac REMICs and other structured securities backed by Ginnie Mae MBS. Before 2002, excludes Freddie Mac REMICs and other structured securities backed by Ginnie Mae MBS. Amounts are not included in total MBS issuances if the activity represents a resecuritization of Freddie Mac MBS.

[c] Includes activity related to multiclass securities, primarily REMICs, but excludes resecuritizations of MBS into single-class securities. Amounts are not included in total MBS issuances if the activity represents a resecuritization of Freddie Mac MBS.

TABLE 12 • FREDDIE MAC EARNINGS

Period	Earnings ($ in Millions)					
	Net Interest Income[a] ($)	Unconsolidated Guarantee Income[a] ($)	Administrative Expenses ($)	Credit-Related (Benefit) Expenses[b,c] ($)	Net Income (Loss) ($)	Return on Equity[d] (%)
4Q21	4,756	182	(734)	604	2,744	N/M
3Q21	4,418	246	(627)	194	2,919	N/M
2Q21	4,767	356	(651)	(171)	3,679	N/M
1Q21	3,639	248	(639)	404	2,767	N/M
Annual Data						
2021	17,580	1,032	(2,651)	1,031	12,109	N/M
2020	12,771	1,442	2,535	2,336	7,326	N/M
2019	11,848	1,089	2,564	191	7,214	N/M
2018	12,021	866	2,293	(150)	9,235	N/M
2017	14,164	662	2,106	105	5,625	N/M
2016	14,379	513	2,005	(516)	7,815	N/M
2015	14,946	369	1,927	(2,327)	6,376	N/M
2014	14,263	329	1,881	254	7,690	N/M
2013	16,468	271	1,805	(2,605)	48,668	N/M
2012	17,611	201	1,561	1,949	10,982	N/M
2011	18,397	170	1,506	11,287	(5,266)	N/M
2010	16,856	143	1,597	17,891	(14,025)	N/M
2009	17,073	3,033	1,685	29,837	(21,553)	N/M
2008	6,796	3,370	1,505	17,529	(50,119)	N/M
2007	3,099	2,635	1,674	3,060	(3,094)	(21.0)
2006	3,412	2,393	1,641	356	2,327	9.8
2005	4,627	2,076	1,535	347	2,113	8.1
2004	9,137	1,382	1,550	140	2,937	9.4
2003	9,498	1,653	1,181	2	4,816	17.7
2002	9,525	1,527	1,406	126	10,090	47.2
2001	7,448	1,381	1,024	39	3,158	20.2
2000	3,758	1,243	825	75	3,666	39.0
1999	2,926	1,019	655	159	2,223	25.5
1998	2,215	1,019	578	342	1,700	22.6
1997	1,847	1,082	495	529	1,395	23.1
1996	1,705	1,086	440	608	1,243	22.6
1995	1,396	1,087	395	541	1,091	22.1
1994	1,112	1,108	379	425	983	23.3
1993	772	1,009	361	524	786	22.3
1992	695	936	329	457	622	21.2
1991	683	792	287	419	555	23.6
1990	619	654	243	474	414	20.4
1989	517	572	217	278	437	25.0
1988	492	465	194	219	381	27.5
1987	319	472	150	175	301	28.2
1986	299	301	110	120	247	28.5
1985	312	188	81	79	208	30.0
1984	213	158	71	54	144	52.0
1983	125	132	53	46	86	44.5
1982	30	77	37	26	60	21.9
1981	34	36	30	16	31	13.1
1980	54	23	26	23	34	14.7
1979	55	18	19	20	36	16.2
1978	37	14	14	13	25	13.4
1977	31	9	12	8	21	12.4
1976	18	3	10	(1)	14	9.5
1975	31	3	10	11	16	11.6
1974	42	2	8	33	5	4.0
1973	31	2	7	15	12	9.9
1972	10	1	5	4	4	3.5
1971	10	1	Not Available Before 1972	Not Available Before 1972	6	5.5

Source: Freddie Mac
N/M = not meaningful

a Adoption of accounting guidance related to transfers of financial assets and consolidation of variable interest entities, effective January 1, 2010, significantly changed presentation of these items in the financial statements. Consequently, financial results for 2010 and later are not directly comparable to previous years. Effective January 1, 2010, guarantee fee income associated with the securitization activities of consolidated trusts is reflected in net interest income.

b 2018 and 2019 have been revised to conform to current period presentation.

c For years 2018 through the current period, defined as provision/benefit for credit losses, credit enhancement expense, benefit for (decrease in) credit enhancement recoveries, and real-estate owned operations income/expense. For years 2002 through 2017, defined as provision/benefit for credit losses and real-estate owned operations income/expense. For years 2000 and 2001, includes only provision for credit losses.

d Ratio computed as annualized net income (loss) available to common stockholders divided by the simple average of beginning and ending common stockholders' equity (deficit).

TABLE 13 • FREDDIE MAC BALANCE SHEET

End of Period	Balance Sheet ($ in Millions)[a]								
	Total Assets ($)	Total Mortgage Assets[b] ($)	Nonmortgage Investments ($)	Total Debt Outstanding ($)	Stockholders' Equity ($)	Senior Preferred Stock ($)	Fair-Value of Net Assets ($)	Mortgage Assets Held for Investment (Gross)[c] ($)	Indebtedness[d] ($)
4Q21	3,025,586	2,873,299	112,169	2,980,185	28,033	72,648	Not Available	111,011	181,661
3Q21	2,937,984	2,764,063	127,611	2,895,426	25,311	72,648	Not Available	113,773	197,563
2Q21	2,842,142	2,639,145	155,190	2,802,755	22,402	72,648	Not Available	113,235	230,645
1Q21	2,741,874	2,543,827	55,933	2,704,270	18,791	72,648	Not Available	174,456	262,658
Annual Data									
2021	3,025,586	2,873,299	112,169	2,980,185	28,033	72,648	Not Available	111,011	181,661
2020	2,627,415	2,422,493	139,208	2,592,546	16,413	72,648	Not Available	182,184	286,541
2019	2,203,623	2,073,090	98,327	2,179,528	9,122	72,648	Not Available	212,673	283,157
2018	2,063,060	1,983,053	55,751	2,044,950	4,477	72,648	Not Available	218,080	255,700
2017	2,049,776	1,941,680	79,991	2,034,630	(312)	72,336	Not Available	253,455	316,729
2016	2,023,376	1,906,843	72,685	2,002,004	5,075	72,336	Not Available	298,426	356,743
2015	1,985,892	1,866,588	80,795	1,970,269	2,940	72,336	Not Available	346,911	418,021
2014	1,945,360	1,852,646	58,585	1,929,363	2,651	72,336	(30,400)	408,414	454,029
2013	1,965,831	1,855,095	69,019	1,940,521	12,835	72,336	(41,200)	461,024	511,345
2012	1,989,557	1,912,929	58,076	1,966,743	8,827	72,336	(58,300)	557,544	552,472
2011	2,147,216	2,062,713	39,342	2,131,983	(146)	72,171	(78,400)	653,313	674,314
2010	2,261,780	2,149,586	74,420	2,242,588	(401)	64,200	(58,600)	696,874	728,217
2009	841,784	716,974	26,271	780,604	4,278	51,700	(62,500)	755,272	805,073
2008	850,963	748,747	18,944	843,021	(30,731)	14,800	(95,600)	804,762	Not Applicable Before 2009
2007	794,368	710,042	41,663	738,557	26,724	Not Applicable Before 2008	12,600	720,813	
2006	804,910	700,002	68,614	744,341	26,914		31,800	703,959	
2005	798,609	709,503	57,324	740,024	25,691		30,900	710,346	
2004	795,284	664,582	62,027	731,697	31,416		30,900	653,261	
2003	803,449	660,531	53,124	739,613	31,487		27,300	645,767	
2002	752,249	589,899	91,871	665,696	31,330		22,900	567,272	
2001	641,100	503,769	89,849	578,368	19,624		18,300	497,639	
2000	459,297	385,451	43,521	426,899	14,837		Not Available Before 2001	385,693	
1999	386,684	322,914	34,152	360,711	11,525			324,443	
1998	321,421	255,670	42,160	287,396	10,835			255,009	
1997	194,597	164,543	16,430	172,842	7,521			164,421	
1996	173,866	137,826	22,248	156,981	6,731			137,755	
1995	137,181	107,706	12,711	119,961	5,863			107,424	
1994	106,199	73,171	17,808	93,279	5,162			73,171	
1993	83,880	55,938	18,225	49,993	4,437			55,938	
1992	59,502	33,629	12,542	29,631	3,570			33,629	
1991	46,860	26,667	9,956	30,262	2,566			26,667	
1990	40,579	21,520	12,124	30,941	2,136			21,520	
1989	35,462	21,448	11,050	26,147	1,916			21,448	
1988	34,352	16,918	14,607	26,882	1,584			16,918	
1987	25,674	12,354	10,467	19,547	1,182			12,354	
1986	23,229	13,093	Not Available Before 1987	15,375	953			13,093	
1985	16,587	13,547		12,747	779			13,547	
1984	13,778	10,018		10,999	606			10,018	
1983	8,995	7,485		7,273	421			7,485	
1982	5,999	4,679		4,991	296			4,679	
1981	6,326	5,178		5,680	250			5,178	
1980	5,478	5,006		4,886	221			5,006	
1979	4,648	4,003		4,131	238			4,003	
1978	3,697	3,038		3,216	202			3,038	
1977	3,501	3,204		3,110	177			3,204	
1976	4,832	4,175		4,523	156			4,175	
1975	5,899	4,878		5,609	142			4,878	
1974	4,901	4,469		4,684	126			4,469	
1973	2,873	2,521		2,696	121			2,521	
1972	1,772	1,726		1,639	110			1,726	
1971	1,038	935		915	107			935	

Source: Freddie Mac

a Adoption of accounting guidance related to transfers of financial assets and consolidation of variable interest entities, effective January 1, 2010, significantly changed the presentation of these items in the financial statements. Consequently, financial results for 2010 and later are not directly comparable to previous years.

b Excludes allowance for loan losses.

c Amounts for 2009 and later meet the definition of mortgage assets in the Treasury Senior Preferred Stock Purchase Agreement for the purpose of determining the maximum amount of mortgage assets that may be held.

d As defined in the Treasury Senior Preferred Stock Purchase Agreement for 2009 and later years.

TABLE 13A • FREDDIE MAC TOTAL MBS OUTSTANDING DETAIL[a,g]

End of Period	Single-Family Mortgages ($ in Millions)					Multifamily Mortgages ($ in Millions)			($ in Millions)	
	Conventional				Total FHA/VA[d] ($)	Conventional ($)	FHA/RD ($)	Multifamily Mortgages ($)	Total MBS Outstanding[e] ($)	Multiclass MBS Outstanding[f] ($)
	Fixed-Rate[b] ($)	Adjustable-Rate[c] ($)	Seconds[d] ($)	Total ($)						
4Q21	2,718,977	23,292	0	2,742,269	1,179	345,374	0	345,374	3,088,822	585,275
3Q21	2,614,110	22,771	0	2,636,881	1,244	338,705	0	338,705	2,976,830	590,884
2Q21	2,493,994	22,519	0	2,516,513	1,265	333,608	0	333,608	2,851,386	598,011
1Q21	2,360,943	23,866	0	2,384,809	1,338	322,619	0	322,619	2,708,766	600,764
Annual Data										
2021	2,718,977	23,292	0	2,742,269	1,179	345,374	0	345,374	3,088,822	585,275
2020	2,222,450	25,872	0	2,248,322	1,332	308,532	0	308,532	2,558,186	590,935
2019	1,821,287	30,461	0	1,851,748	1,354	265,344	0	265,344	2,118,446	546,166
2018	1,694,596	37,568	0	1,732,164	1,532	230,892	0	230,892	1,964,588	528,413
2017	1,598,054	45,791	0	1,643,845	1,783	199,168	0	199,168	1,844,796	475,624
2016	1,510,170	48,467	0	1,558,637	2,110	152,236	0	152,236	1,712,983	422,528
2015	1,409,898	68,234	0	1,478,132	2,413	114,130	0	114,130	1,594,675	411,016
2014	1,338,926	72,095	0	1,411,021	2,835	87,836	0	87,836	1,501,692	410,133
2013	1,306,504	72,187	1	1,378,692	3,152	71,793	0	71,793	1,453,637	402,309
2012	1,269,642	76,095	1	1,345,738	3,452	49,542	0	49,542	1,398,732	427,630
2011	1,303,916	81,977	2	1,385,895	4,106	32,080	0	32,080	1,422,081	451,716
2010	1,357,124	84,471	2	1,441,597	4,434	21,954	0	21,954	1,467,985	429,115
2009	1,364,796	111,550	3	1,476,349	3,544	15,374	0	15,374	1,495,267	448,329
2008	1,242,648	142,495	4	1,385,147	3,970	13,597	0	13,597	1,402,714	517,654
2007	1,206,495	161,963	7	1,368,465	4,499	8,899	0	8,899	1,381,863	526,604
2006	967,580	141,740	12	1,109,332	5,396	8,033	0	8,033	1,122,761	491,696
2005	836,023	117,757	19	953,799	6,289	14,112	0	14,112	974,200	437,668
2004	736,332	91,474	70	827,876	9,254	15,140	0	15,140	852,270	390,516
2003	649,699	74,409	140	724,248	12,157	15,759	0	15,759	752,164	347,833
2002	647,603	61,110	5	708,718	12,361	8,730	0	8,730	729,809	392,545
2001	609,290	22,525	10	631,825	14,127	7,132	0	7,132	653,084	299,652
2000	533,331	36,266	18	569,615	778	5,708	0	5,708	576,101	309,185
1999	499,671	33,094	29	532,794	627	4,462	0	4,462	537,883	316,168
1998	Not Available Before 1999	Not Available Before 1999	Not Available Before 1999	Not Available Before 1999	Not Available Before 1999	Not Available Before 1999	Not Available Before 1999	Not Available Before 1999	478,351	260,504
1997									475,985	233,829
1996									473,065	237,939
1995									459,045	246,336
1994									460,656	264,152
1993									439,029	265,178
1992									407,514	218,747
1991									359,163	146,978
1990									316,359	88,124
1989									272,870	52,865
1988									226,406	15,621
1987									212,635	3,652
1986									169,186	5,333
1985									99,909	5,047
1984									70,026	3,214
1983									57,720	1,669
1982									42,952	Not Issued Before 1983
1981									19,897	
1980									16,962	
1979									15,316	
1978									12,017	
1977									6,765	
1976									2,765	
1975									1,643	
1974									780	
1973									791	
1972									444	
1971									64	

Source: Freddie Mac

a Based on unpaid principal balances of mortgage guarantees held by third parties. Excludes mortgage-backed securities (MBS) held for investment by Freddie Mac and unguaranteed subordinated whole loan securities.

b Includes U.S. Department of Agriculture Rural Development (RD) loan programs.

c From 2001 to the current period, includes MBS with underlying mortgages classified as balloon/reset loans. Freddie Mac discontinued purchase of balloon/reset mortgages on January 1, 2013.

d From 2002 to the current period, includes resecuritizations of non-Freddie Mac securities.

e Excludes mortgage loans and mortgage-related securities traded but not yet settled. From 2002 to the current period, amounts include real estate mortgage investment conduits and other structured securities, other guarantee transactions, and other guarantee commitments of mortgage loans and MBS held by third parties.

f Amounts are included in total MBS outstanding column.

g Freddie Mac mortgage-related securities include mortgage-related securities issued or guaranteed by Freddie Mac. In prior periods, certain of these securities that were issued by third-party trusts but guaranteed by Freddie Mac were classified as non-agency mortgage-related securities. 2017 and later periods have been revised to conform to the current period presentation.

TABLE 14 • FREDDIE MAC MORTGAGE ASSETS HELD FOR INVESTMENT DETAIL

End of Period	($ in Millions)			
	Whole Loans[a] ($)	Freddie Mac Securities[a] ($)	Other Mortgage-Related Securities[a] ($)	Mortgage Assets Held for Investment (Gross)[b, c] ($)
4Q21	64,553	42,755	46,458	153,766
3Q21	62,440	48,642	51,333	162,415
2Q21	66,123	44,407	47,112	157,642
1Q21	114,451	54,255	60,005	228,711
Annual Data				
2021	64,553	42,755	46,458	153,766
2020	110,750	67,091	4,343	182,184
2019	83,652	118,647	10,374	212,673
2018	91,618	120,148	6,314	218,080
2017	107,171	135,552	10,732	253,455
2016	127,549	136,184	34,693	298,426
2015	145,664	147,824	53,423	346,911
2014	164,472	161,541	82,401	408,414
2013	181,308	168,034	111,682	461,024
2012	221,313	186,763	149,468	557,544
2011	253,970	223,667	175,676	653,313
2010	234,746	263,603	198,525	696,874
2009	138,816	374,615	241,841	755,272
2008	111,476	424,524	268,762	804,762
2007	82,158	356,970	281,685	720,813
2006	65,847	354,262	283,850	703,959
2005	61,481	361,324	287,541	710,346
2004	61,360	356,698	235,203	653,261
2003	60,270	393,135	192,362	645,767
2002	63,886	341,287	162,099	567,272
2001	62,792	308,427	126,420	497,639
2000	59,240	246,209	80,244	385,693
1999	56,676	211,198	56,569	324,443
1998	57,084	168,108	29,817	255,009
1997	48,454	103,400	Not Available Before 1998	164,421
1996	46,504	81,195		137,755
1995	43,753	56,006		107,424
1994	Not Available Before 1995	30,670		73,171
1993		15,877		55,938
1992		6,394		33,629
1991		Not Available Before 1992		26,667
1990				21,520
1989				21,448
1988				16,918
1987				12,354
1986				13,093
1985				13,547
1984				10,018
1983				7,485
1982				4,679
1981				5,178
1980				5,006
1979				4,003
1978				3,038
1977				3,204
1976				4,175
1975				4,878
1974				4,469
1973				2,521
1972				1,726
1971				935

Source: Freddie Mac

[a] Based on unpaid principal balances. Excludes mortgage loans and mortgage-related securities traded but not yet settled.

[b] Excludes allowance for loan losses.

[c] Amounts for 2009 and later meet the definition of mortgage assets in the Treasury Senior Preferred Stock Purchase Agreement for the purpose of determining the maximum amount of mortgage assets that may be held.

TABLE 14A • FREDDIE MAC MORTGAGE ASSETS HELD FOR INVESTMENT DETAIL – WHOLE LOANS

End of Period	Whole Loans ($ in Millions)[a]								
	Single-Family					Multifamily			Total Whole Loans ($)
	Conventional				Total FHA/VA[c] ($)	Conventional ($)	FHA/RD ($)	Total ($)	
	Fixed-Rate[b] ($)	Adjustable-Rate ($)	Seconds ($)	Total ($)					
4Q21	40,989	276	0	41,265	516	22,770	2	22,772	64,553
3Q21	42,611	361	0	42,972	476	18,990	2	18,992	62,440
2Q21	47,749	407	0	48,156	480	17,485	2	17,487	66,123
1Q21	88,856	685	0	89,541	505	24,403	2	24,405	114,451
Annual Data									
2021	40,989	276	0	41,265	516	22,770	2	22,772	64,553
2020	76,208	692	0	76,900	443	33,405	2	33,407	110,750
2019	52,649	892	0	53,541	326	29,783	2	29,785	83,652
2018	55,311	1,214	0	56,525	306	34,785	2	34,787	91,618
2017	66,926	1,675	0	68,601	331	38,222	17	38,239	107,171
2016	82,295	2,439	0	84,734	398	42,415	2	42,417	127,549
2015	92,931	3,185	0	96,116	461	49,084	3	49,087	145,664
2014	106,499	4,544	0	111,043	473	52,953	3	52,956	164,472
2013	115,073	6,511	0	121,584	553	59,168	3	59,171	181,308
2012	133,506	9,953	0	143,459	1,285	76,566	3	76,569	221,313
2011	156,361	13,804	0	170,165	1,494	82,308	3	82,311	253,970
2010	130,722	16,643	0	147,365	1,498	85,880	3	85,883	234,746
2009	50,980	2,310	0	53,290	1,588	83,935	3	83,938	138,816
2008	36,071	2,136	0	38,207	548	72,718	3	72,721	111,476
2007	21,578	2,700	0	24,278	311	57,566	3	57,569	82,158
2006	19,211	1,233	0	20,444	196	45,204	3	45,207	65,847
2005	19,238	903	0	20,141	255	41,082	3	41,085	61,481
2004	22,055	990	0	23,045	344	37,968	3	37,971	61,360
2003	25,889	871	1	26,761	513	32,993	3	32,996	60,270
2002	33,821	1,321	3	35,145	705	28,033	3	28,036	63,886
2001	38,267	1,073	5	39,345	964	22,480	3	22,483	62,792
2000	39,537	2,125	9	41,671	1,200	16,369	Not Available Before 2001	16,369	59,240
1999	43,210	1,020	14	44,244	77	12,355		12,355	56,676
1998	47,754	1,220	23	48,997	109	7,978		7,978	57,084
1997	40,967	1,478	36	42,481	148	5,825		5,825	48,454
1996	Not Available Before 1997	Not Available Before 1997	Not Available Before 1997	Not Available Before 1997	Not Available Before 1997	4,746		4,746	46,504
1995						3,852		3,852	43,753

Source: Freddie Mac

a Based on unpaid principal balances of mortgage loans. Excludes mortgage loans traded but not yet settled.

b From 2001 to the current period, includes U.S. Department of Agriculture Rural Development (RD) loan programs.

c FHA stands for Federal Housing Administration. VA stands for Department of Veterans Affairs.

TABLE 14B • FREDDIE MAC MORTGAGE ASSETS HELD FOR INVESTMENT DETAIL – PART 1, MORTGAGE-RELATED SECURITIES

End of Period	Mortgage-Related Securities ($ in Millions)[a]													
	Freddie Mac Securities[b,c,d]				Other Securities[c]									
	Single-Family				Fannie Mae[e]				Ginnie Mae					
					Single-Family				Single-Family					
	Fixed-Rate ($)	Adjustable-Rate ($)	Multi-family ($)	Total Freddie Mac ($)	Fixed-Rate ($)	Adjustable-Rate ($)	Multi-family ($)	Total Fannie Mae ($)	Fixed-Rate ($)	Adjustable-Rate ($)	Multi-family ($)	Total Ginnie Mae ($)	Total Private-Label ($)	Total Other Securities ($)
4Q21	37,165	2,577	3,013	42,755	2,542	15	0	2,557	0	1	11	12	1,038	3,607
3Q21	41,494	4,006	3,142	48,642	1,368	51	0	1,419	0	1	11	12	1,148	2,579
2Q21	36,196	4,756	3,455	44,407	1,349	17	0	1,366	0	2	11	13	1,199	2,578
1Q21	45,284	5,472	3,499	54,255	4,331	26	0	4,357	0	2	11	13	1,241	5,611
Annual Data														
2021	37,165	2,577	3,013	42,755	2,542	15	0	2,557	0	1	11	12	1,038	3,607
2020	56,028	7,007	4,055	67,090	2,872	45	0	2,917	0	2	11	13	1,273	4,203
2019	97,710	15,227	5,710	118,647	7,756	962	0	8,718	16	3	11	30	1,452	10,200
2018	95,705	17,282	7,161	120,148	1,520	2,419	0	3,939	25	4	11	40	2,099	6,078
2017	107,213	21,258	7,081	135,552	2,861	2,191	0	5,052	36	123	12	171	5,157	10,380
2016	102,778	27,651	5,755	136,184	7,650	3,876	0	11,526	56	178	12	246	22,266	34,038
2015	119,072	22,873	5,879	147,824	6,038	6,753	0	12,791	90	77	12	179	39,265	52,235
2014	131,683	26,532	3,326	161,541	6,852	9,303	0	16,155	119	67	12	198	63,879	80,232
2013	137,164	28,083	2,787	168,034	7,240	9,421	3	16,664	150	78	15	243	91,237	108,144
2012	147,751	36,630	2,382	186,763	10,864	12,518	84	23,466	202	91	15	308	120,038	143,812
2011	174,440	46,219	3,008	223,667	16,543	15,998	128	32,669	253	104	16	373	134,841	167,883
2010	206,974	54,534	2,095	263,603	21,238	18,139	316	39,693	296	117	27	440	148,515	188,648
2009	294,958	77,708	1,949	374,615	36,549	28,585	528	65,662	341	133	35	509	163,816	229,987
2008	328,965	93,498	2,061	424,524	35,142	34,460	674	70,276	398	152	26	576	185,041	255,893
2007	269,896	84,415	2,659	356,970	23,140	23,043	922	47,105	468	181	82	731	218,914	266,750
2006	282,052	71,828	382	354,262	25,779	17,441	1,214	44,434	707	231	13	951	224,631	270,016
2005	299,167	61,766	391	361,324	28,818	13,180	1,335	43,333	1,045	218	30	1,293	231,594	276,220
2004	304,555	51,737	406	356,698	41,828	14,504	1,672	58,004	1,599	81	31	1,711	166,411	226,126
2003	Not Available Before 2004	Not Available Before 2004	Not Available Before 2004	393,135	Not Available Before 2004	Not Available Before 2004	Not Available Before 2004	74,529	Not Available Before 2004	Not Available Before 2004	Not Available Before 2004	2,760	107,301	184,590
2002				341,287				78,829				4,878	70,752	154,459
2001				308,427				71,128				5,699	42,336	119,163
2000				246,209				28,303				8,991	35,997	73,291
1999				211,198				13,245				6,615	31,019	50,879
1998				168,108				3,749				4,458	16,970	25,177
1997				103,400				Not Available Before 1998				6,393	Not Available Before 1998	Not Available Before 1998
1996				81,195								7,434		
1995				56,006								Not Available Before 1996		
1994				30,670										
1993				15,877										
1992				6,394										

Source: Freddie Mac

a Based on unpaid principal balances.

b From 2001 to the current period, includes real estate mortgage investment conduits and other structured securities backed by Ginnie Mae mortgage-backed securities.

c Freddie Mac mortgage-related securities include mortgage-related securities issued or guaranteed by Freddie Mac. In prior periods, certain of these securities that were issued by third-party trusts but guaranteed by Freddie Mac were classified as non-agency mortgage-related securities. 2017 and later periods have been revised to conform to the current period presentation.

d From 3Q 2019 to the current periods, amounts include the Fannie Mae-backed portion of partially-owned Freddie Mac issued commingled securities.

e From 2Q 2019 to the current periods, amounts include the Fannie Mae-backed portion of 100%-owned Freddie Mac-issued commingled securities.

TABLE 14B • FREDDIE MAC MORTGAGE ASSETS HELD FOR INVESTMENT DETAIL – PART 2, MORTGAGE-RELATED SECURITIES, PRIVATE-LABEL DETAIL

End of Period	Mortgage-Related Securities ($ in Millions)[a,d]								
	Private-Label								
	Single-Family								
		Subprime		Alt-A[b]		Other[c]			
	Manufactured Housing ($)	Fixed-Rate ($)	Adjustable-Rate ($)	Fixed-Rate ($)	Adjustable-Rate ($)	Fixed-Rate ($)	Adjustable-Rate ($)	Multifamily ($)	Total Private-Label ($)
4Q21	254	1	696	13	12	0	62	0	1,038
3Q21	263	1	725	29	66	0	64	0	1,148
2Q21	273	1	760	30	67	0	68	0	1,199
1Q21	282	2	786	32	69	0	70	0	1,241
Annual Data									
2021	254	1	696	13	12	0	62	0	1,038
2020	290	2	807	33	70	0	71	0	1,273
2019	325	3	896	39	77	0	82	30	1,452
2018	358	3	1,383	45	187	0	91	32	2,099
2017	428	3	3,315	58	410	0	812	131	5,157
2016	566	9	10,311	340	1,461	0	3,176	6,403	22,266
2015	630	10	17,285	753	3,045	0	5,309	12,233	39,265
2014	704	11	27,675	955	5,035	0	8,287	21,212	63,879
2013	778	116	39,583	1,417	9,594	0	10,426	29,323	91,237
2012	862	311	44,086	1,774	13,036	0	12,012	47,957	120,038
2011	960	336	48,696	2,128	14,662	0	13,949	54,110	134,841
2010	1,080	363	53,855	2,405	16,438	0	15,646	58,728	148,515
2009	1,201	395	61,179	2,845	18,594	0	17,687	61,915	163,816
2008	1,326	438	74,413	3,266	21,801	0	19,606	64,191	185,041
2007	1,472	498	100,827	3,720	26,343	0	21,250	64,804	218,914
2006	1,510	408	121,691	3,626	31,743	0	20,893	44,760	224,631
2005	1,680	Not Available Before 2006	Not Available Before 2006	Not Available Before 2006	Not Available Before 2006	4,749	181,678	43,487	231,594
2004	1,816					8,243	115,168	41,184	166,411
2003	2,085					Not Available Before 2004	Not Available Before 2004	Not Available Before 2004	107,301
2002	2,394								70,752
2001	2,462								42,336
2000	2,896								35,997
1999	4,693								31,019
1998	1,711								16,970

Source: Freddie Mac

a Based on unpaid principal balances.

b Includes nonagency mortgage-related securities backed by home equity lines of credit.

c Consists of nonagency mortgage-related securities backed by option ARM loans. Before 2006, includes securities principally backed by subprime and Alt-A mortgage loans. ARM stands for adjustable-rate mortgage.

d Freddie Mac mortgage-related securities include mortgage-related securities issued or guaranteed by Freddie Mac. In prior periods, certain of these securities that were issued by third-party trusts but guaranteed by Freddie Mac were classified as non-agency mortgage-related securities. 2017 and later periods have been revised to conform to the current period presentation.

TABLE 14B • FREDDIE MAC MORTGAGE ASSETS HELD FOR INVESTMENT DETAIL – PART 3, MORTGAGE-RELATED SECURITIES

	Mortgage-Related Securities ($ in Millions)		($ in Millions)			
End of Period	Mortgage Revenue Bonds[a] ($)	Total Mortgage-Related Securities[a] ($)	Unamortized Premiums, Discounts, Deferred Fees, Plus Unrealized Gains/Losses on Available-for-Sale Securities[b] ($)	Mortgage Assets Held for Investment (Net)[c] ($)	Mortgage Assets Held for Investment (Gross)[d] ($)	Limit on Mortgage Assets Held for Investment (Gross)[e] ($)
4Q21	98	46,458	N/A	N/A	111,011	250,000
3Q21	112	51,333	N/A	N/A	113,773	250,000
2Q21	126	47,112	N/A	N/A	113,235	250,000
1Q21	139	60,005	N/A	N/A	174,456	250,000
Annual Data						
2021	98	46,458	N/A	N/A	111,011	250,000
2020	140	71,434	N/A	N/A	182,184	250,000
2019	174	129,021	N/A	N/A	212,673	250,000
2018	236	126,462	N/A	N/A	218,080	250,000
2017	352	146,284	N/A	N/A	253,455	288,408
2016	657	170,877	N/A	N/A	298,426	339,304
2015	1,188	201,247	N/A	N/A	346,911	399,181
2014	2,169	243,942	N/A	N/A	408,414	469,625
2013	3,538	279,716	N/A	N/A	461,024	552,500
2012	5,656	336,231	N/A	N/A	557,544	650,000
2011	7,793	399,343	N/A	N/A	653,313	729,000
2010	9,877	462,128	N/A	N/A	696,874	810,000
2009	11,854	616,456	(38,298)	716,974	755,272	900,000
2008	12,869	693,286	(56,015)	748,747	804,762	Not Applicable Before 2009
2007	14,935	638,655	(10,771)	710,042	720,813	
2006	13,834	638,112	(3,957)	700,002	703,959	
2005	11,321	648,865	(843)	709,503	710,346	
2004	9,077	591,901	11,321	664,582	653,261	
2003	7,772	585,497	14,764	660,531	645,767	
2002	7,640	503,386	22,627	589,899	567,272	
2001	7,257	434,847	6,130	503,769	497,639	
2000	6,953	326,453	(242)	385,451	385,693	
1999	5,690	267,767	(1,529)	322,914	324,443	
1998	4,640	197,925	661	255,670	255,009	
1997	3,031	Not Available Before 1998	122	164,543	164,421	
1996	1,787		71	137,826	137,755	
1995	Not Available Before 1996		282	107,706	107,424	
1994			Not Available Before 1995 and after 2009	73,171	73,171	
1993				55,938	55,938	
1992				33,629	33,629	
1991				26,667	26,667	
1990				21,520	21,520	
1989				21,448	21,448	
1988				16,918	16,918	
1987				12,354	12,354	
1986				13,093	13,093	
1985				13,547	13,547	
1984				10,018	10,018	
1983				7,485	7,485	
1982				4,679	4,679	
1981				5,178	5,178	
1980				5,006	5,006	
1979				4,003	4,003	
1978				3,038	3,038	
1977				3,204	3,204	
1976				4,175	4,175	
1975				4,878	4,878	
1974				4,469	4,469	
1973				2,521	2,521	
1972				1,726	1,726	
1971				935	935	

Source: Freddie Mac
N/A = not available

[a] Based on unpaid principal balances.
[b] Includes premiums, discounts, deferred fees, impairments of unpaid principal balances, and other basis adjustments on mortgage loans and mortgage-related securities plus unrealized gains or losses on available-for-sale mortgage-related securities. Amounts prior to 2006 include mortgage-backed securities residuals at fair value.
[c] Excludes allowance for loan losses.
[d] Amounts for 2009 and later meet the definition of mortgage assets in the Treasury Senior Preferred Stock Purchase Agreement for the purpose of determining the maximum amount of mortgage assets that may be held.
[e] Maximum allowable mortgage assets under the Treasury Senior Preferred Stock Purchase Agreement.

TABLE 15 • FREDDIE MAC FINANCIAL DERIVATIVES

End of Period	Financial Derivatives – Notional Amount Outstanding ($ in Millions)									
	Interest Rate Swaps[a] ($)	Interest Rate Caps, Floors, and Corridors ($)	Foreign Currency Contracts ($)	Over-the-Counter Futures, Options, and Forward Rate Agreements ($)	Treasury-Based Contracts[b] ($)	Exchange-Traded Futures, Options and Other Derivatives ($)	Credit Derivatives[c] ($)	Commitments[d] ($)	Other[e] ($)	Total ($)
4Q21	716,212	29,000	0	140,066	18,192	112,004	0	83,656	37,686	1,136,816
3Q21	756,782	29,000	0	154,512	13,485	81,110	0	126,709	38,155	1,199,753
2Q21	800,389	29,000	0	180,659	9,538	223,075	0	121,435	38,238	1,402,334
1Q21	773,096	29,000	0	184,340	12,249	205,129	0	265,242	39,703	1,508,759
Annual Data										
2021	716,212	29,000	0	140,066	18,192	112,004	0	83,656	37,686	1,136,816
2020	740,282	29,000	0	176,046	5,656	159,254	0	219,109	32,978	1,362,325
2019	804,941	29,000	0	161,014	13,296	259,365	0	217,051	31,677	1,516,344
2018	739,925	10,000	0	169,187	22,162	309,004	0	188,487	25,078	1,463,843
2017	739,727	10,000	0	176,966	60,649	263,482	0	189,656	24,211	1,464,691
2016	586,033	10,000	0	114,392	28,763	109,531	2,951	45,353	2,879	899,902
2015	429,712	10,000	0	99,463	1,332	55,000	3,899	29,114	3,033	631,553
2014	418,844	10,000	0	95,260	7,471	40,000	5,207	27,054	3,204	607,040
2013	524,624	19,000	528	103,010	270	50,000	5,386	18,731	3,477	725,026
2012	547,491	28,000	1,167	90,585	1,185	39,938	8,307	25,530	3,628	745,831
2011	503,893	28,000	1,722	182,974	2,250	41,281	10,190	14,318	3,621	788,249
2010	721,259	28,000	2,021	207,694	4,193	211,590	12,833	14,292	3,614	1,205,496
2009	705,707	35,945	5,669	287,193	540	159,659	14,198	13,872	3,521	1,226,304
2008	766,158	36,314	12,924	251,426	28,403	106,610	13,631	108,273	3,281	1,327,020
2007	711,829	0	20,118	313,033	0	196,270	7,667	72,662	1,302	1,322,881
2006	440,879	0	29,234	252,022	2,000	20,400	2,605	10,012	957	758,109
2005	341,008	45	37,850	193,502	0	86,252	2,414	21,961	738	683,770
2004	178,739	9,897	56,850	224,204	2,001	127,109	10,926	32,952	114,100	756,778
2003	287,592	11,308	46,512	349,650	8,549	122,619	15,542	89,520	152,579	1,083,871
2002	290,096	11,663	43,687	277,869	17,900	210,646	17,301	191,563	117,219	1,177,944
2001	442,771	12,178	23,995	187,486	13,276	358,500	10,984	121,588	0	1,170,778
2000	277,888	12,819	10,208	113,064	2,200	22,517	N/A	N/A	35,839	474,535
1999	126,580	19,936	1,097	172,750	8,894	94,987	Not Applicable Before 2000	Not Applicable Before 2000	0	424,244
1998	57,555	21,845	1,464	63,000	11,542	157,832			0	313,238
1997	54,172	21,995	1,152	6,000	12,228	0			0	95,547
1996	46,646	14,095	544	0	651	0			0	61,936
1995	45,384	13,055	0	0	24	0			0	58,463
1994	21,834	9,003	0	0	0	0			0	30,837
1993	17,888	1,500	0	0	0	0			0	19,388

Source: Freddie Mac
N/A = not available

a Amounts for 2010 through the current period include exchange-settled interest rate swaps.
b Amounts for years 2002 through the current period include exchange-traded.
c Includes prepayment management agreement and swap guarantee derivatives. Beginning 4Q 2019, certain derivatives related to our credit risk transfer transactions were reclassified to other.
d Commitments include commitments to purchase and sell investments in securities and mortgage loans and commitments to purchase and extinguish or issue debt securities of consolidated trusts. Years before 2004 include commitments to purchase and sell various debt securities.
e Beginning in 1Q 2020, includes certain derivatives previously reported as credit derivatives.

TABLE 16 • FREDDIE MAC NONMORTGAGE INVESTMENTS

End of Period	Nonmortgage Investments ($ in Millions)[a]					
	Federal Funds and Eurodollars ($)	Asset-Backed Securities ($)	Repurchase Agreements ($)	Commercial Paper and Corporate Debt ($)	Other[b] ($)	Total ($)
4Q21	0	0	71,203	0	40,966	112,169
3Q21	0	0	85,315	0	42,296	127,611
2Q21	0	0	113,697	0	41,493	155,190
1Q21	0	0	15,140	0	40,793	55,933
Annual Data						
2021	0	0	71,203	0	40,966	112,169
2020	0	0	105,003	0	34,205	139,208
2019	0	0	66,114	0	32,213	98,327
2018	0	0	34,771	0	20,980	55,751
2017	0	0	55,903	0	24,088	79,991
2016	0	0	51,548	0	21,137	72,685
2015	0	0	63,644	0	17,151	80,795
2014	0	0	51,903	0	6,682	58,585
2013	0	0	62,383	0	6,636	69,019
2012	0	292	37,563	0	20,221	58,076
2011	0	302	12,044	2,184	24,812	39,342
2010	3,750	44	42,774	441	27,411	74,420
2009	0	4,045	7,000	439	14,787	26,271
2008	0	8,794	10,150	0	0	18,944
2007	162	16,588	6,400	18,513	0	41,663
2006	19,778	32,122	3,250	11,191	2,273	68,614
2005	9,909	30,578	5,250	5,764	5,823	57,324
2004	18,647	21,733	13,550	0	8,097	62,027
2003	7,567	16,648	13,015	5,852	10,042	53,124
2002	6,129	34,790	16,914	13,050	20,988	91,871
2001	15,868	26,297	17,632	21,712	8,340	89,849
2000	2,267	19,063	7,488	7,302	7,401	43,521
1999	10,545	10,305	4,961	3,916	4,425	34,152
1998	20,524	7,124	1,756	7,795	4,961	42,160
1997	2,750	2,200	6,982	3,203	1,295	16,430
1996	9,968	2,086	6,440	1,058	2,696	22,248
1995	110	499	9,217	1,201	1,684	12,711
1994	7,260	0	5,913	1,234	3,401	17,808
1993	9,267	0	4,198	1,438	3,322	18,225
1992	5,632	0	4,060	53	2,797	12,542
1991	2,949	0	4,437	0	2,570	9,956
1990	1,112	0	9,063	0	1,949	12,124
1989	3,527	0	5,765	0	1,758	11,050
1988	4,469	0	9,107	0	1,031	14,607
1987	3,177	0	5,859	0	1,431	10,467

Source: Freddie Mac

a Adoption of accounting guidance related to transfers of financial assets and consolidation of variable interest entities, effective January 1, 2010, changed presentation of nonmortgage investments. Values for 2010 and later are not directly comparable to previous years.

b Beginning in 2017, amounts include certain secured lending activity. From 2009 through current period, amounts include Treasury bills and Treasury notes. For 2004 through 2006, amounts include obligations of states and municipalities classified as available-for-sale securities. For 2003 and previous years, amounts include nonmortgage-related securities classified as trading, debt securities issued by the U.S. Treasury and other federal agencies, obligations of states and municipalities, and preferred stock.

TABLE 17 • FREDDIE MAC MORTGAGE ASSET QUALITY

End of Period	Mortgage Asset Quality				
	Single-Family Delinquency Rate[a] (%)	Multifamily Delinquency Rate[b] (%)	Credit Losses/ Mortgage Portfolio[c] (%)	REO/Mortgage Portfolio[d] (%)	Credit-Enhanced[e]/ Mortgage Portfolio[d] (%)
4Q21	1.12	0.08	0.01	0.01	58.0
3Q21	1.46	0.12	0.00	0.01	56.0
2Q21	1.86	0.15	0.00	0.01	55.0
1Q21	2.34	0.17	0.00	0.01	57.0
Annual Data					
2021	1.12	0.08	0.01	0.01	58.0
2020	2.64	0.16	0.01	0.01	54.0
2019	0.63	0.08	0.07	0.02	60.0
2018	0.69	0.01	0.11	0.04	58.0
2017	1.08	0.02	0.19	0.04	48.0
2016	1.00	0.03	0.09	0.06	40.0
2015	1.32	0.02	0.26	0.09	33.0
2014	1.88	0.04	0.22	0.14	26.0
2013	2.39	0.09	0.27	0.25	16.0
2012	3.25	0.19	0.64	0.24	13.0
2011	3.58	0.22	0.68	0.30	14.0
2010	3.84	0.26	0.72	0.36	15.0
2009	3.98	0.20	0.41	0.23	16.0
2008	1.83	0.05	0.20	0.17	18.0
2007	0.65	0.02	0.03	0.08	17.0
2006	0.42	0.06	0.01	0.04	16.0
2005	0.53	0.00	0.01	0.04	17.0
2004	0.73	0.06	0.01	0.05	19.0
2003	0.86	0.05	0.01	0.06	21.0
2002	0.77	0.13	0.01	0.05	27.4
2001	0.62	0.15	0.01	0.04	34.7
2000	0.49	0.04	0.01	0.04	31.8
1999	0.39	0.14	0.02	0.05	29.9
1998	0.50	0.37	0.04	0.08	27.3
1997	0.55	0.96	0.08	0.11	15.9
1996	0.58	1.96	0.10	0.13	10.0
1995	0.60	2.88	0.11	0.14	9.7
1994	0.55	3.79	0.08	0.18	7.2
1993	0.61	5.92	0.11	0.16	5.3
1992	0.64	6.81	0.09	0.12	Not Available Before 1993
1991	0.61	5.42	0.08	0.14	
1990	0.45	2.63	0.08	0.12	
1989	0.38	2.53	0.08	0.09	
1988	0.36	2.24	0.07	0.09	
1987	0.36	1.49	0.07	0.08	
1986	0.42	1.07	Not Available Before 1987	0.07	
1985	0.42	0.63		0.10	
1984	0.46	0.42		0.15	
1983	0.47	0.58		0.15	
1982	0.54	1.04		0.12	
1981	0.61	Not Available Before 1982		0.07	
1980	0.44			0.04	
1979	0.31			0.02	
1978	0.21			0.02	
1977	Not Available Before 1978			0.03	
1976				0.04	
1975				0.03	
1974				0.02	

Source: Freddie Mac

a Based on the number of mortgages 90 days or more delinquent or in foreclosure. Rates are based on loans in the single-family mortgage portfolio (previously the single-family credit guarantee portfolio), which includes securitized mortgage loans, unsecuritized mortgage loans, and other mortgage-related guarantees. Rates for years 2005 and 2007 exclude other guarantee transactions.

b Based on the unpaid principal balance of loans, 60 days or more delinquent or in foreclosure and include other guarantee transactions.

c Credit losses equal to real estate owned operations expense (income) plus net charge-offs and exclude other market-based valuation losses. Beginning in 2021, calculated as credit losses divided by the average balance of the mortgage portfolio. Prior to 2020, calculated as credit losses divided by mortgage loans in the total mortgage portfolio, excluding non-Freddie Mac MBS and the portion of REMICs and other structured securities backed by Ginnie Mae MBS.

d Beginning in 2021, calculated based on the mortgage portfolio. Prior to 2021, calculated based on the balance of mortgage loans in the total mortgage portfolio excluding non-Freddie Mac MBS and the portion of REMICS and other structured securities backed by Ginnie Mae certificates. Since 2004, the credit enhanced percentage of our total mortgage portfolio has been rounded to the nearest whole percent.

e Includes loans with a portion of the primary default risk retained by the lender or a third party who pledged collateral or agreed to accept losses on loans that default. In many cases, the lender's or third party's risk is limited to a specific level of losses at the time the credit enhancement becomes effective. Also includes credit enhancement coverage, such as through STACR debt notes or other risk transfer transactions that were completed by the end of each period.

TABLE 18 • FREDDIE MAC CAPITAL[a]

End of Period	Capital ($ in Millions)									
	Minimum Capital Requirement			Risk-Based Capital Requirement						
	Core Capital[b] ($)	Minimum Capital Requirement[c] ($)	Regulatory Capital Surplus (Deficit)[c] ($)	Total Capital[d] ($)	Risk-Based Capital Requirement[e] ($)	Risk-Based Capital Surplus (Deficit)[f] ($)	Market Capitalization[g] ($)	Core Capital/ Total Assets[h] (%)	Core Capital/ Total Assets plus Unconsolidated MBS[i] (%)	Common Share Dividend Payout Rate[j] (%)
4Q21	(44,769)	24,302	(69,071)	N/A	N/A	N/A	540	(1.48)	(1.33)	N/A
3Q21	(47,513)	23,841	(71,354)	N/A	N/A	N/A	533	(1.62)	(1.45)	N/A
2Q21	(50,432)	23,549	(73,981)	N/A	N/A	N/A	936	(1.77)	(1.59)	N/A
1Q21	(54,111)	23,068	(77,179)	N/A	N/A	N/A	1,333	(1.97)	(1.77)	N/A
Annual Data										
2021	(44,769)	24,302	(69,071)	N/A	N/A	N/A	540	(1.48)	(1.33)	N/A
2020	(56,878)	22,694	(79,572)	N/A	N/A	N/A	1,515	(2.16)	(1.94)	N/A
2019	(63,964)	19,123	(83,087)	N/A	N/A	N/A	1,950	(2.90)	(2.60)	N/A
2018	(68,036)	17,553	(85,589)	N/A	N/A	N/A	689	(3.30)	(2.99)	N/A
2017	(73,037)	18,431	(91,468)	N/A	N/A	N/A	1,638	(3.56)	(3.30)	N/A
2016	(67,717)	18,933	(86,650)	N/A	N/A	N/A	2,431	(3.35)	(3.18)	N/A
2015	(70,549)	19,687	(90,236)	N/A	N/A	N/A	1,053	(3.55)	(3.42)	N/A
2014	(71,415)	20,090	(91,505)	N/A	N/A	N/A	1,339	(3.67)	(3.54)	N/A
2013	(59,495)	21,404	(80,899)	N/A	N/A	N/A	1,885	(3.03)	(2.94)	N/A
2012	(60,571)	22,063	(82,634)	N/A	N/A	N/A	169	(3.04)	(3.02)	N/A
2011	(64,322)	24,405	(88,727)	N/A	N/A	N/A	136	(3.00)	(3.03)	N/A
2010	(52,570)	25,987	(78,557)	N/A	N/A	N/A	195	(2.32)	(2.37)	N/A
2009	(23,774)	28,352	(52,126)	N/A	N/A	N/A	953	(2.82)	(1.02)	N/A
2008	(13,174)	28,200	(41,374)	N/A	N/A	N/A	473	(1.55)	(0.58)	N/M
2007	37,867	26,473	11,394	40,929	14,102	26,827	22,018	4.77	1.74	N/M
2006	35,365	25,607	9,758	36,742	15,320	21,422	44,896	4.39	1.83	63.9
2005	35,043	24,791	10,252	36,781	11,282	25,499	45,269	4.35	1.97	56.4
2004	34,106	23,715	10,391	34,691	11,108	23,583	50,898	4.29	2.07	30.7
2003	32,416	23,362	9,054	33,436	5,426	28,010	40,158	4.03	2.08	15.6
2002	28,990	22,339	6,651	24,222	4,743	19,479	40,590	3.85	1.96	6.2
2001	20,181	19,014	1,167	Not Applicable Before 2002	Not Applicable Before 2002	Not Applicable Before 2002	45,473	3.15	1.56	18.9
2000	14,380	14,178	202				47,702	3.13	1.39	20.0
1999	12,692	12,287	405				32,713	3.28	1.37	20.1
1998	10,715	10,333	382				44,797	3.33	1.34	20.7
1997	7,376	7,082	294				28,461	3.79	1.10	21.1
1996	6,743	6,517	226				19,161	3.88	1.04	21.3
1995	5,829	5,584	245				14,932	4.25	0.98	21.1
1994	5,169	4,884	285				9,132	4.87	0.91	20.5
1993	4,437	3,782	655				9,005	5.29	0.85	21.6
1992	Not Applicable Before 1993	Not Applicable Before 1993	Not Applicable Before 1993				8,721	Not Applicable Before 1993	Not Applicable Before 1993	23.1
1991							8,247			21.6
1990							2,925			23.2
1989							4,024			24.3

Sources: Freddie Mac and FHFA

N/A = not applicable **N/M = not meaningful**

[a] On October 9, 2008, the Federal Housing Finance Agency (FHFA) suspended capital classifications of Freddie Mac. As of the fourth quarter of 2008, neither the existing statutory nor the FHFA-directed regulatory capital requirements were binding and will not be binding during conservatorship.

[b] The sum of the stated value of outstanding common stock (common stock less treasury stock), the stated value of outstanding noncumulative perpetual preferred stock, paid-in capital, and retained earnings (accumulated deficit). Core capital excludes accumulated other comprehensive income (loss) and senior preferred stock.

[c] Beginning in the fourth quarter of 2003, FHFA directed Freddie Mac to maintain an additional 30 percent capital in excess of the statutory minimum capital requirement. On March 19, 2008, FHFA announced a reduction in the mandatory target capital surplus from 30 percent to 20 percent above the statutory minimum capital requirements. The minimum capital requirement and minimum capital surplus (deficit) numbers stated in this table do not reflect the additional capital requirement. Minimum capital surplus (deficit) is the difference between core capital and the minimum capital requirement.

[d] Total capital includes core capital and general reserves for mortgage and foreclosure losses.

[e] The risk-based capital requirement is the amount of total capital an Enterprise must hold to absorb projected losses flowing from future adverse interest rate and credit risk conditions and is specified by the Federal Housing Enterprise Financial Safety and Soundness Act of 1992.

[f] The difference between total capital and risk-based capital requirement.

[g] Stock price at the end of the period multiplied by the number of outstanding common shares.

[h] Adoption of the changes in the accounting guidance related to transfers of financial assets and consolidation of variable interest entities changed presentation of total assets on the balance sheet. Financial results for 2010 and later are not directly comparable to years before 2010.

[i] Includes unconsolidated MBS held by third parties. Before 2010, Freddie Mac MBS held by third parties were not consolidated.

[j] Common dividends paid as a percentage of net income available to common stockholders. As a result of conservatorship and the Senior Preferred Stock Purchase Agreement with Treasury, no amounts are available to distribute as dividends to common or preferred stockholders (other than Treasury as the holder of the Senior Preferred Stock).

TABLE 19 • FEDERAL HOME LOAN BANKS COMBINED STATEMENT OF INCOME

End of Period	($ in Millions)				
	Net Interest Income ($)	Operating Expenses ($)	Affordable Housing Program Assessment ($)	REFCORP Assessment [1, 2] ($)	Net Income ($)
4Q21	895	326	50	0	435
3Q21	894	288	48	0	427
2Q21	927	294	46	0	408
1Q21	1,031	299	57	0	501
Annual Data					
2021	3,747	1,207	201	0	1,771
2020	4,441	1,325	315	0	2,791
2019	4,682	1,228	362	0	3,190
2018	5,256	1,131	404	0	3,562
2017	4,481	1,064	384	0	3,376
2016	3,835	1,025	392	0	3,408
2015	3,548	1085	332	0	2,856
2014	3,522	932	269	0	2,245
2013	3,415	889	293	0	2,527
2012	4,052	839	296	0	2,606
2011	4,104	853	188	160	1,593
2010	5,234	860	229	498	2,081
2009	5,432	813	258	572	1,855
2008	5,243	732	188	412	1,206
2007	4,516	714	318	703	2,827
2006	4,293	671	295	647	2,612
2005	4,207	657	282	625	2,525
2004	4,171	547	225	505	1,994
2003	3,877	450	218	490	1,885
2002	3,722	393	168	375	1,507
2001	3,446	364	220	490	1,970
2000	3,313	333	246	553	2,211
1999	2,534	282	199	Not Applicable Before 2000	2,128
1998	2,116	258	169		1,778
1997	1,772	229	137		1,492
1996	1,584	219	119		1,330
1995	1,401	213	104		1,300
1994	1,230	207	100		1,023
1993	954	197	75		884
1992	736	207	50		850
1991	1,051	264	50		1,159
1990	1,510	279	60		1,468

Source: Federal Home Loan Bank System Office of Finance[3]

1 Before 2000, the Federal Home Loan Banks charged a $300 million annual capital distribution to the Resolution Funding Corporation (REFCORP) directly to retained earnings.

2 The Federal Home Loan Banks made their final payment satisfying the REFCORP obligation on July 15, 2011 based on income earned in the second quarter of 2011.

3 Financial data is from the FHLBanks' Office of Finance annual Combined Financial Report for each year listed. Data may not reflect subsequent adjustments or restatements. Quarterly values are from quarterly Combined Financial Reports.

TABLE 20 • FEDERAL HOME LOAN BANKS COMBINED BALANCE SHEET

End of Period	($ in Millions)								
	Total Assets ($)	Advances Outstanding ($)	Mortgage Loans Held ($)	Mortgage-Related Securities ($)	Consolidated Obligations ($)	GAAP Capital Stock ($)	Retained Earnings ($)	Regulatory Capital ($)	Regulatory Capital/ Total Assets (%)
4Q21	723,238	351,278	55,497	120,877	651,921	25,065	22,760	48,223	6.67
3Q21	712,089	350,041	56,101	121,726	641,838	24,814	22,568	47,773	6.71
2Q21	738,171	370,352	56,541	124,255	667,517	25,806	22,387	48,807	6.61
1Q21	770,613	399,074	59,413	125,265	696,921	26,669	22,232	49,568	6.43
Annual Data									
2021	723,238	351,278	55,497	120,877	651,921	25,065	22,760	48,223	6.67
2020	820,740	422,639	62,842	131,812	748,518	27,398	21,998	50,168	6.11
2019	1,099,113	641,519	72,492	145,616	1,026,196	34,495	20,588	56,461	5.14
2018	1,102,850	728,767	62,534	142,991	1,029,525	38,498	19,504	59,064	5.36
2017	1,103,451	731,544	53,827	141,299	1,033,081	37,657	18,099	57,027	5.17
2016	1,056,712	705,225	48,476	138,650	988,742	36,234	16,330	54,318	5.14
2015	969,353	634,022	44,585	133,680	905,982	34,185	14,325	49,449	5.10
2014	913,343	570,726	43,563	139,180	848,334	33,705	13,244	49,577	5.43
2013	834,200	498,599	44,442	140,309	767,141	33,375	12,206	50,578	6.06
2012	762,454	425,750	49,425	138,522	692,138	33,535	10,524	50,989	6.69
2011	766,086	418,157	53,377	140,154	697,124	35,542	8,577	52,936	6.91
2010	878,109	478,589	61,191	146,881	800,998	41,735	7,552	57,356	6.53
2009	1,015,583	631,159	71,437	152,028	934,876	44,982	6,033	60,153	5.92
2008	1,349,053	928,638	87,361	169,170	1,258,267	49,551	2,936	59,625	4.42
2007	1,271,800	875,061	91,610	143,513	1,178,916	50,253	3,689	56,051	4.41
2006	1,016,469	640,681	97,974	130,228	934,214	42,001	3,143	47,247	4.65
2005	997,389	619,860	105,240	122,328	915,901	42,043	2,600	46,102	4.62
2004	924,751	581,216	113,922	124,417	845,738	40,092	1,744	42,990	4.65
2003	822,418	514,037	113,438	97,867	740,721	37,703	1,098	38,801	4.72
2002	763,052	489,338	60,455	96,386	673,383	35,186	716	35,904	4.71
2001	696,254	472,540	27,641	86,730	621,003	33,288	749	34,039	4.89
2000	653,687	437,861	16,149	77,385	591,606	30,537	728	31,266	4.78
1999	583,212	395,747	2,026	62,531	525,419	28,361	654	29,019	4.98
1998	434,002	288,189	966	52,232	376,715	22,287	465	22,756	5.24
1997	348,575	202,265	37	47,072	304,493	18,833	341	19,180	5.50
1996	292,035	161,372	0	42,960	251,316	16,540	336	16,883	5.78
1995	272,661	132,264	0	38,029	231,417	14,850	366	15,213	5.58
1994	239,076	125,893	0	29,967	200,196	13,095	271	13,373	5.59
1993	178,897	103,131	0	22,217	138,741	11,450	317	11,766	6.58
1992	162,134	79,884	0	20,123	114,652	10,102	429	10,531	6.50
1991	154,556	79,065	0	Not Available Before 1992	108,149	10,200	495	Not Available Before 1992	Not Available Before 1992
1990	165,742	117,103	0		118,437	11,104	521		

Source: Federal Home Loan Bank System Office of Finance[1]

[1] Financial data is from the FHLBanks' Office of Finance annual Combined Financial Report for each year listed. Data may not reflect subsequent adjustments or restatements. Quarterly items are from quarterly Combined Financial Reports.

TABLE 21 • FEDERAL HOME LOAN BANKS NET INCOME

End of Period	($ in Millions)													
	Atlanta	Boston	Chicago	Cincinnati	Dallas	Des Moines	Indianapolis	New York	Pittsburgh	San Francisco	Seattle	Topeka	Combining Adjustment	System Total
4Q21	7	25	88	17	47	46	27	53	14	67	–	47	(3)	435
3Q21	27	17	77	6	41	47	20	66	22	71	–	37	(4)	427
2Q21	56	6	78	0	28	47	17	75	12	55	–	33	1	408
1Q21	43	21	32	19	48	66	30	72	38	94	–	44	(6)	501
Annual Data														
2021	133	69	275	42	164	206	94	266	86	287	–	161	(12)	1,771
2020	255	120	374	276	198	362	88	442	210	335	–	118	13	2,791
2019	367	191	300	276	227	384	142	473	317	327	–	185	1	3,190
2018	416	217	303	339	199	460	195	560	347	360	–	170	(4)	3,562
2017	349	190	317	314	150	518	156	479	340	376	–	197	(10)	3,376
2016	278	173	327	268	79	649	113	401	260	712	–	162	(14)	3,408
2015	301	289	349	249	67	131	121	415	257	638	(32)	93	(22)	2,856
2014	271	150	392	244	49	121	117	315	256	205	60	106	(41)	2,245
2013	338	212	343	261	88	110	218	305	148	308	61	119	16	2,527
2012	270	207	375	235	81	111	143	361	130	491	71	110	21	2,606
2011	184	160	224	138	48	78	110	244	38	216	84	77	(8)	1,593
2010	278	107	366	164	105	133	111	276	8	399	21	34	79	2,081
2009	283	(187)	(65)	268	148	146	120	571	(37)	515	(162)	237	18	1,855
2008	254	(116)	(119)	236	79	127	184	259	19	461	(199)	28	(7)	1,206
2007	445	198	111	269	130	101	122	323	237	652	71	150	18	2,827
2006	414	196	188	253	122	89	118	285	216	542	26	136	27	2,612
2005	344	135	244	220	242	228	153	230	192	369	2	136	30	2,525
2004	294	90	365	227	65	100	131	161	119	293	83	93	(27)	1,994
2003	207	92	437	171	113	135	134	46	69	323	144	88	(74)	1,885
2002	267	76	205	178	(50)	46	81	234	(27)	292	147	58	0	1,507
2001	162	113	164	189	114	74	104	285	85	425	178	77	0	1,970
2000	298	146	129	193	129	124	127	277	173	377	139	99	0	2,211
1999	282	137	131	173	109	132	125	244	184	332	165	90	24	2,128
1998	221	116	111	176	99	116	111	186	143	294	154	81	(30)	1,778
1997	192	103	99	135	87	110	98	144	110	249	129	65	(29)	1,492
1996	165	96	92	116	95	111	80	131	97	219	118	58	(48)	1,330
1995	159	92	73	91	91	103	74	136	82	200	87	50	63	1,300
1994	120	69	57	68	78	76	71	126	58	196	75	45	(16)	1,024
1993	114	57	49	33	39	50	53	117	62	163	122	35	(12)	884
1992	124	52	51	41	26	47	59	141	58	131	93	33	(5)	850
1991	158	88	58	51	38	46	64	156	57	316	58	64	7	1,159

Source: Federal Home Loan Bank System Office of Finance[1]

1 Financial data is from the FHLBanks' Office of Finance annual Combined Financial Report for each year listed. Data may not reflect subsequent adjustments or restatements.

TABLE 22 • FEDERAL HOME LOAN BANKS ADVANCES OUTSTANDING

End of Period	($ in Millions)											
	Atlanta	Boston	Chicago	Cincinnati	Dallas	Des Moines	Indianapolis	New York	Pittsburgh	San Francisco	Seattle	Topeka	System Total
4Q21	45,415	12,340	48,049	23,055	24,637	44,111	27,498	71,536	14,124	17,027	–	23,484	351,278
3Q21	43,779	14,057	46,042	22,793	24,776	44,076	26,958	70,548	12,987	22,613	–	21,411	350,041
2Q21	47,075	15,177	46,270	23,587	24,922	45,560	27,633	79,985	14,955	24,194	–	20,996	370,352
1Q21	49,463	16,798	46,975	24,365	25,621	47,514	29,784	90,072	19,272	28,140	–	21,068	399,074
Annual Data													
2021	45,415	12,340	48,049	23,055	24,637	44,111	27,498	71,536	14,124	17,027	–	23,484	351,278
2020	52,168	18,817	46,695	25,362	32,479	46,530	31,347	92,067	24,971	30,976	–	21,227	422,639
2019	97,167	34,596	50,508	47,370	37,117	80,360	32,480	100,695	65,610	65,374	–	30,241	641,519
2018	108,462	43,193	52,628	54,822	40,794	106,323	32,728	105,179	82,476	73,434	–	28,730	728,767
2017	102,440	37,566	48,085	69,918	36,461	102,613	34,055	122,448	74,280	77,382	–	26,296	731,544
2016	99,077	39,099	45,067	69,882	32,506	131,601	28,096	109,257	76,809	49,845	–	23,986	705,225
2015	104,168	36,076	36,778	73,292	24,747	89,173	26,909	93,874	74,505	50,919	–	23,580	634,022
2014	99,644	33,482	32,485	70,406	18,942	65,168	20,790	98,797	63,408	38,986	10,314	18,303	570,726
2013	89,588	27,517	23,489	65,270	15,979	45,650	17,337	90,765	50,247	44,395	10,935	17,425	498,599
2012	87,503	20,790	14,530	53,944	18,395	26,614	18,130	75,888	40,498	43,750	9,135	16,573	425,750
2011	86,971	25,195	15,291	28,424	18,798	26,591	18,568	70,864	30,605	68,164	11,292	17,394	418,157
2010	89,258	28,035	18,901	30,181	25,456	29,253	18,275	81,200	29,708	95,599	13,355	19,368	478,589
2009	114,580	37,591	24,148	35,818	47,263	35,720	22,443	94,349	41,177	133,559	22,257	22,254	631,159
2008	165,856	56,926	38,140	53,916	60,920	41,897	31,249	109,153	62,153	235,664	36,944	35,820	928,638
2007	142,867	55,680	30,221	53,310	46,298	40,412	26,770	82,090	68,798	251,034	45,524	32,057	875,061
2006	101,476	37,342	26,179	41,956	41,168	21,855	22,282	59,013	49,335	183,669	27,961	28,445	640,681
2005	101,265	38,068	24,921	40,262	46,457	22,283	25,814	61,902	47,493	162,873	21,435	27,087	619,860
2004	95,867	30,209	24,192	41,301	47,112	27,175	25,231	68,508	38,980	140,254	14,897	27,490	581,216
2003	88,149	26,074	26,443	43,129	40,595	23,272	28,925	63,923	34,662	92,330	19,653	26,882	514,037
2002	82,244	26,931	24,945	40,063	36,869	23,971	28,944	68,926	29,251	81,237	20,036	25,921	489,338
2001	71,818	24,361	21,902	35,223	32,490	20,745	26,399	60,962	29,311	102,255	24,252	22,822	472,540
2000	58,249	21,594	18,462	31,935	30,195	21,158	24,073	52,396	25,946	110,031	26,240	17,582	437,861
1999	45,216	22,488	17,167	28,134	27,034	22,949	19,433	44,409	36,527	90,514	26,284	15,592	395,747
1998	33,561	15,419	14,899	17,873	22,191	18,673	14,388	31,517	26,050	63,990	21,151	8,477	288,189
1997	23,128	12,052	10,369	14,722	13,043	10,559	11,435	19,601	16,979	49,310	15,223	5,844	202,265
1996	16,774	9,655	10,252	10,882	10,085	10,306	9,570	16,486	12,369	39,222	10,850	4,921	161,372
1995	13,920	8,124	8,282	8,287	9,505	11,226	7,926	15,454	9,657	25,664	9,035	5,185	132,264
1994	14,526	8,504	6,675	7,140	8,039	9,819	7,754	14,509	8,475	25,343	8,899	6,212	125,893
1993	11,340	7,208	4,380	4,274	10,470	6,362	6,078	12,162	6,713	23,847	5,889	4,407	103,131
1992	9,301	5,038	2,873	2,415	7,322	3,314	5,657	8,780	3,547	23,110	5,025	3,502	79,884
1991	8,861	5,297	1,773	2,285	4,634	2,380	5,426	11,804	2,770	24,178	5,647	4,011	79,065

Source: Federal Home Loan Bank System Office of Finance[1]

1 Financial data is from the FHLBanks' Office of Finance annual Combined Financial Report for each year listed. Data may not reflect subsequent adjustments or restatements. Quarterly items are from quarterly Combined Financial Reports.

TABLE 23 • FEDERAL HOME LOAN BANKS REGULATORY CAPITAL

End of Period	($ in Millions)													
	Atlanta	Boston	Chicago	Cincinnati	Dallas	Des Moines	Indianapolis	New York	Pittsburgh	San Francisco	Seattle	Topeka	Combining Adjustment[1]	System Total
4Q21	4,612	2,516	6,656	3,804	3,758	5,783	3,473	6,434	2,648	5,896	–	2,643	0	48,223
3Q21	4,576	2,570	6,410	3,730	3,676	5,796	3,450	6,379	2,622	6,059	–	2,501	4	47,773
2Q21	4,688	2,604	6,394	4,029	3,577	5,847	3,623	6,793	2,652	6,037	–	2,555	8	48,807
1Q21	4,754	2,702	6,363	4,072	3,467	5,948	3,600	7,228	2,824	5,983	–	2,244	383	49,568
Annual Data														
2021	4,612	2,516	6,656	3,804	3,758	5,783	3,473	6,434	2,648	5,896	–	2,643	0	48,223
2020	5,276	2,772	6,361	3,964	3,523	5,744	3,596	7,279	3,047	5,966	–	2,627	13	50,168
2019	7,142	3,388	5,807	4,483	3,706	6,888	3,412	7,585	4,725	6,605	–	2,769	-49	56,461
2018	7,597	3,956	5,547	5,366	3,643	7,719	3,178	7,766	5,327	6,522	–	2,442	1	59,064
2017	7,157	3,628	5,051	5,211	3,266	7,292	2,998	8,316	4,822	6,797	–	2,486	3	57,027
2015	6,956	3,507	4,688	5,232	2,311	5,812	2,377	6,875	4,427	5,369	–	1,863	32	49,449
2014	6,914	3,613	4,317	5,019	1,928	4,213	2,344	6,682	3,879	6,356	2,659	1,605	48	49,577
2013	6,563	4,297	3,703	5,435	1,782	3,379	2,379	6,594	3,648	7,925	2,958	1,824	90	50,578
2012	6,373	4,259	3,347	4,759	1,794	2,694	2,677	5,714	3,806	10,750	2,987	1,752	77	50,989
2011	7,258	4,251	4,527	3,845	1,765	2,684	2,515	5,292	3,871	12,176	2,958	1,738	56	52,936
2010	8,877	4,004	4,962	3,887	2,061	2,746	2,695	5,304	4,419	13,640	2,871	1,826	64	57,356
2009	9,185	3,876	4,502	4,151	2,897	2,953	2,830	5,874	4,415	14,657	2,848	1,980	-15	60,153
2008	8,942	3,658	4,327	4,399	3,530	3,174	2,701	6,112	4,157	13,539	2,687	2,432	-33	59,625
2007	8,080	3,421	4,343	3,877	2,688	3,125	2,368	5,025	4,295	13,859	2,660	2,336	-26	56,051
2006	6,394	2,542	4,208	4,050	2,598	2,315	2,111	4,025	3,655	10,865	2,303	2,225	-44	47,247
2005	6,225	2,675	4,507	4,130	2,796	2,346	2,349	3,900	3,289	9,698	2,268	1,990	-71	46,102
2004	5,681	2,240	4,793	4,002	2,846	2,453	2,132	4,005	2,791	7,959	2,166	2,023	-101	42,990
2003	5,030	2,490	4,542	3,737	2,666	2,226	1,961	3,765	2,344	5,858	2,456	1,800	-74	38,801
2002	4,577	2,323	3,296	3,613	2,421	1,889	1,935	4,296	1,824	5,687	2,382	1,661	0	35,904
2001	4,165	2,032	2,507	3,240	2,212	1,574	1,753	3,910	1,970	6,814	2,426	1,436	0	34,039
2000	3,649	1,905	1,701	2,841	2,166	1,773	1,581	3,747	2,175	6,292	2,168	1,267	0	31,266
1999	3,433	1,868	1,505	2,407	1,862	2,264	1,446	3,093	2,416	5,438	2,098	1,190	0	29,019
1998	2,427	1,530	1,299	1,952	1,570	1,526	1,179	2,326	1,827	4,435	1,813	894	-24	22,756
1997	2,077	1,344	1,159	1,694	1,338	1,320	1,090	1,881	1,440	3,545	1,495	791	6	19,180
1996	1,846	1,239	1,091	1,377	1,150	1,245	903	1,616	1,230	3,150	1,334	666	35	16,883
1995	1,615	1,201	941	1,128	1,168	1,217	799	1,531	1,030	2,719	1,148	632	83	15,213
1994	1,488	1,091	749	961	944	905	676	1,281	924	2,627	1,094	612	20	13,373
1993	1,423	927	648	692	914	652	584	1,251	740	2,440	934	526	36	11,766
1992	1,333	843	564	563	661	515	548	1,181	566	2,453	782	474	48	10,531
1991	1,367	807	525	517	645	450	515	1,234	492	2,924	652	514	53	10,695

Source: Federal Home Loan Bank System Office of Finance[2]

1 Combining adjustment for Federal Home Loan Bank System retained earnings reported by the Office of Finance.

2 Financial data is from the FHLBanks' Office of Finance annual Combined Financial Report for each year listed. Data may not reflect subsequent adjustments or restatements. Quarterly items are from quarterly Combined Financial Reports.

TABLE 24 • LOAN LIMITS VALUES

Period	Single-Family Conforming Loan Limits Values[a]			
	One Unit	Two Units	Three Units	Four Units
2022[b]	647,200-970,800	828,700-1,243,050	1,001,650-1,502,475	1,244,850-1,867,275
2021[b]	548,250-822,375	702,000-1,053,000	848,500-1,272,750	1,054,500-1,581,750
2020[b]	510,400-765,600	653,550-980,325	789,950-1,184,925	981,700-1,472,550
2019[b]	484,350-726,525	620,200-930,300	749,650-1,124,475	931,600-1,397,400
2018[b]	453,100-679,650	580,150-870,225	701,250-1,051,875	871,450-1,307,175
2017[b]	424,100-636,150	543,000-814,500	656,350-984,525	815,650-1,223,475
2016[b]	417,000-625,500	533,850-800,775	645,300-967,950	801,950-1,202,925
2015[b]	417,000-625,500	533,850-800,775	645,300-967,950	801,950-1,202,925
2014[b]	417,000-625,500	533,850-800,775	645,300-967,950	801,950-1,202,925
2013[b]	417,000-625,500	533,850-800,775	645,300-967,950	801,950-1,202,925
2012[b]	417,000-625,500	533,850-800,775	645,300-967,950	801,950-1,202,925
2011[c]	417,000-729,750	533,850-934,200	645,300-1,129,250	801,950-1,403,400
2010[d]	417,000-729,750	533,850-934,200	645,300-1,129,250	801,950-1,403,400
2009[e]	417,000-729,750	533,850-934,200	645,300-1,129,250	801,950-1,403,400
2008[f]	417,000-729,750	533,850-934,200	645,300-1,129,250	801,950-1,403,400
2007	417,000	533,850	645,300	801,950
2006	417,000	533,850	645,300	801,950
2005	359,650	460,400	556,500	691,600
2004	333,700	427,150	516,300	641,650
2003	322,700	413,100	499,300	620,500
2002	300,700	384,900	465,200	578,150
2001	275,000	351,950	425,400	528,700
2000	252,700	323,400	390,900	485,800
1999	240,000	307,100	371,200	461,350
1998	227,150	290,650	351,300	436,600
1997	214,600	274,550	331,850	412,450
1996	207,000	264,750	320,050	397,800
1995	203,150	259,850	314,100	390,400
1994	203,150	259,850	314,100	390,400
1993	203,150	259,850	314,100	390,400
1992	202,300	258,800	312,800	388,800
1991	191,250	244,650	295,650	367,500
5/1/1990 - 12/31/1990	187,450	239,750	289,750	360,150
1989 - 4/30/1990	187,600	239,950	290,000	360,450
1988	168,700	215,800	260,800	324,150
1987	153,100	195,850	236,650	294,150
1986	133,250	170,450	205,950	256,000
1985	115,300	147,500	178,200	221,500
1984	114,000	145,800	176,100	218,900
1983	108,300	138,500	167,200	207,900
1982	107,000	136,800	165,100	205,300
1981	98,500	126,000	152,000	189,000
1980	93,750	120,000	145,000	170,000
10/27/1977 - 1979	75,000	75,000	75,000	75,000
1975 - 10/26/1977	55,000	55,000	55,000	55,000

Sources: Department of Housing and Urban Development (HUD), Federal Housing Finance Agency, Freddie Mac

a Conforming loan limits values are 50 percent higher in Alaska, Hawaii, Guam, and the U.S. Virgin Islands.

b Maximum loan limits values for loans acquired between 2012 and 2021 were determined based on the formula established in the Housing and Economic Recovery Act of 2008.

c Public Law 111-242 set maximum loan limits for mortgages originated through September 30, 2011 at the higher of the limits established by the Economic Stimulus Act of 2008 or those determined under a formula prescribed by the Housing and Economic Recovery Act of 2008. Loans originated after September 30 were subject to the Housing and Economic Recovery Act limits values, which had a ceiling of $625,500 in the contiguous U.S.

d Public Law 111-242 set maximum loan limits values for mortgages originated in 2010 at the higher of the limits established by the Economic Stimulus Act of 2008 or those determined under a formula prescribed by the Housing and Economic Recovery Act of 2008. For all areas, the resulting 2010 limits were the same as those in effect for 2009.

e Loan limits values for mortgages originated in 2009 were initially set under provisions of the Housing and Economic Recovery Act of 2008, which allowed for high-cost area limits of up to $625,500. In February 2009, however, the American Recovery and Reinvestment Act of 2009 restored the $729,750 maximum loan limit for mortgages originated in 2009.

f The Economic Stimulus Act of 2008 allowed Fannie Mae and Freddie Mac to raise the conforming loan limits values in certain high-cost areas to a maximum of $729,750 for one-unit homes in the continental United States. Higher limits applied to two-, three-, and four-unit homes. Alaska, Hawaii, Guam, and the Virgin Islands have higher maximum limits. The limits applied to loans originated between July 1, 2007, and December 31, 2008.

Period	FHA Single-Family Insurable Limits							
	One Unit		Two Units		Three Units		Four Units	
	Low-Cost Area Max	High-Cost Area Max	Low-Cost Area Max	High-Cost Area Max	Low-Cost Area Max	High-Cost Area Max	Low-Cost Area Max	High-Cost Area Max
2022[a]	420,680	970,800	538,650	1,243,050	651,050	1,502,475	809,150	1,867,275
2021[a]	356,362	822,375	456,275	1,053,000	551,500	1,272,750	685,400	1,581,750
2020[a]	331,760	765,600	424,800	980,325	513,450	1,184,925	638,100	1,472,550
2019[a]	314,827	726,525	403,125	930,300	487,250	1,124,475	605,525	1,397,400
2018[a]	294,515	679,650	377,075	870,225	455,800	1,051,875	566,425	1,307,175
2017[a]	275,665	636,150	352,950	814,500	426,625	984,525	530,150	1,223,475
2016[a]	271,050	625,500	347,000	800,775	419,425	967,950	521,250	1,202,925
2015[a]	271,050	625,500	347,000	800,775	419,425	967,950	521,250	1,202,925
2014[a]	271,050	625,500	347,000	800,775	419,425	967,950	521,250	1,202,925
2013[b]	271,050	729,750	347,000	934,200	419,425	1,129,250	521,250	1,403,400
2012[b]	271,050	729,750	347,000	934,200	419,400	1,129,250	521,250	1,403,400
2011[b]	271,050	729,750	347,000	934,200	419,400	1,129,250	521,250	1,403,400
2010[c]	271,050	729,750	347,000	934,200	419,400	1,129,250	521,250	1,403,400
2009[d]	271,050	729,750	347,000	934,200	419,400	1,129,250	521,250	1,403,400
2008[e]	271,050	729,750	347,000	934,200	419,400	1,129,250	521,250	1,403,400
2007	200,160	362,790	256,248	464,449	309,744	561,411	384,936	697,696
2006	200,160	362,790	256,248	464,449	309,744	561,411	384,936	697,696
2005	172,632	312,895	220,992	400,548	267,120	484,155	331,968	601,692
2004	160,176	290,319	205,032	371,621	247,824	449,181	307,992	558,236
2003	154,896	280,749	198,288	359,397	239,664	434,391	297,840	539,835
2002	144,336	261,609	184,752	334,863	223,296	404,724	277,512	502,990
2001	132,000	239,250	168,936	306,196	204,192	370,098	253,776	459,969
2000	121,296	219,849	155,232	281,358	187,632	340,083	233,184	422,646
1999	115,200	208,800	147,408	267,177	178,176	322,944	221,448	401,375
1998	109,032	197,621	139,512	252,866	168,624	305,631	209,568	379,842
1997	81,546	170,362	104,310	205,875	126,103	248,888	156,731	309,338

Source: Federal Housing Administration

a HUD loan limit authority given by Congress in the Economic Stimulus Action of 2008 and extended by the Consolidated and Further Continuing Appropriations Act of 2012 (P.L. 112-55) expired at the end of December 2013. The Federal Housing Administration single-family loans limits for 2014 were established using the permanent authority under section 203(b)(2) of the National Housing Act, as amended by the Housing Economic Recovery Act of 2008. This shift in legal authority resulted in changes in loan limits for 2014 and beyond.

b Public Law 111-242 set the maximum loan limits for mortgages with credit approvals issued in Fiscal Year 2011 (October 1, 2010 - September 30, 2011) at the higher of the limits established by the Economic Stimulus Act of 2008 and those determined under a formula prescribed by the Housing and Economic Recovery Act of 2008. The maximum limit for loans with case numbers assigned between November 18, 2011 and December 31, 2013 were set pursuant to Public Law 112-55 at the higher of the limits established by the Economic Stimulus Act of 2008 and those determined under a formula prescribed by the Housing and Economic Recovery Act of 2008.

c Public Law 111-88 set maximum loan limits for mortgages with credit approvals issued in 2010 at the higher of the limits established by the Economic Stimulus Act of 2008 or those determined under a formula prescribed by the Housing and Economic Recovery Act of 2008. For all areas, the resulting 2010 limits were the same as those in effect for 2009.

d Loan limits for mortgages with credit approvals issued in 2009 were initially set under provisions of the Housing and Economic Recovery Act of 2008, which allowed for high-cost area limits of up to $625,500. In February 2009, however, the American Recovery and Reinvestment Act of 2009 restored the $729,750 maximum loan limit for mortgages with credit approvals issued in 2009.

e The Economic Stimulus Act of 2008 allowed the Federal Housing Administration to increase the single-family insurable limits to a maximum of $729,750 for one-unit homes in the continental United States. Higher limits applied to two-, three-, and four-unit homes. Alaska, Hawaii, Guam, and the Virgin Islands have higher maximum limits. The limits applied to loans with credit approvals issued between July 1, 2007, and December 31, 2008.

TABLE 25 • MORTGAGE INTEREST RATES

Period	Average Commitment Rates on Loans		Effective Rates on Closed Loans	
	Conventional		Conventional	
	30-Year Fixed-Rate (%)	One-Year Adjustable-Rate (%)	Fixed-Rate (%)	Adjustable-Rate (%)
4Q21	3.1	2.8	Discontinued**	N/A
3Q21	3.0	2.8	Discontinued**	N/A
2Q21	3.0	2.8	Discontinued**	N/A
1Q21	3.2	2.8	Discontinued**	N/A
Annual Data				
2021	3.1	2.8	Discontinued**	N/A
2020	2.7	2.8	Discontinued**	N/A
2019	3.7	3.1	Discontinued**	N/A
2018	4.6	3.5	4.7	N/A
2017	4.0	2.9	4.1	N/A
2016	4.3	2.8	4.0	N/A
2015	4.0	2.7	4.0	N/A
2014	3.8	2.4	4.3	N/A
2013	4.5	2.6	4.1	N/A
2012	3.4	2.6	4.7	N/A
2011	4.0	2.8	4.8	N/A
2010	4.9	3.3	4.9	N/A
2009	5.1	4.3	5.2	N/A
2008	5.1	5.0	6.2	5.8
2007	6.2	5.5	6.5	6.3
2006	6.2	5.5	6.7	6.4
2005	6.2	5.2	6.1	5.5
2004	5.8	4.2	6.0	5.2
2003	5.8	3.7	5.9	5.0
2002	5.9	4.0	6.7	5.7
2001	7.2	5.3	7.1	6.4
2000	7.1	6.9	8.3	7.1
1999	8.1	6.6	7.4	6.5
1998	6.8	5.6	7.2	6.5
1997	7.0	5.5	7.9	6.9
1996	7.6	5.6	8.0	7.1
1995	7.1	5.6	8.2	7.1
1994	9.2	6.8	8.2	6.4
1993	7.1	4.2	7.5	5.7
1992	8.1	5.4	8.5	6.6
1991	8.4	6.0	9.7	8.3
1990	9.7	7.9	10.4	9.2
1989	9.8	8.4	10.5	9.4
1988	10.8	8.5	10.4	8.5
1987	10.6	8.0	9.9	8.5
1986	9.3	7.6	10.5	9.4
1985	11.1	9.2	12.4	10.9
1984	13.1	10.9	13.2	12.0
1983	13.4	Not Available Before 1984	13.0	12.3
1982	13.6		Not Available Before 1983	Not Available Before 1983
1981	17.0			
1980	15.0			
1979	12.9			
1978	10.4			
1977	9.0			
1976	8.8			
1975	9.1			
1974	9.6			
1973	8.6			
1972	7.5			
1971	Not Available Before 1972			

Sources: Freddie Mac for average commitment rates; Federal Housing Finance Agency for effective rates
N/A = not available
*Data at end of period as reported by Bloomberg
Discontinued**: FHFA's Monthly Interest Rate Survey was discontinued following the May 2019 release. See the Research and Publication section for more.

TABLE 26 • HOUSING MARKET ACTIVITY[a]

Period	Housing Starts (units in thousands)			Home Sales (units in thousands)	
	One- to Four-Unit Housing Starts	Multifamily Housing Starts	Total Housing Starts	Sales of New One- to Four-Unit Homes	Sales of Existing One- to Four-Unit Homes
4Q21	1,187	521	1,708	839	6,090
3Q21	1,098	452	1,550	725	6,180
2Q21	1,172	485	1,657	683	5,970
1Q21	1,277	448	1,725	873	6,040
Annual Data					
2021	1,187	521	1,708	839	6,090
2020	1,325	336	1,661	943	6,530
2019	1,032	515	1,547	733	5,450
2018	797	298	1,095	566	5,010
2017	832	350	1,182	658	5,570
2016	812	440	1,252	561	5,520
2015	782	364	1,146	546	5,440
2014	740	333	1,073	497	5,090
2013	668	334	1,002	433	4,860
2012	632	344	976	399	4,890
2011	545	149	694	341	4,350
2010	438	101	539	326	4,270
2009	497	84	581	352	4,400
2008	411	149	560	377	4,010
2007	816	221	1,037	619	4,410
2006	1,299	350	1,649	998	6,400
2005	1,659	335	1,994	1,239	6,840
2004	1,761	281	2,042	1,242	6,890
2003	1,676	381	2,057	1,129	6,490
2002	1,474	314	1,788	1,048	5,970
2001	1,302	266	1,568	979	5,490
2000	1,265	267	1,532	983	5,100
1999	1,401	307	1,708	873	5,080
1998	1,439	353	1,792	949	Not Available
1997	1,211	355	1,566	793	Before 1999
1996	1,105	265	1,370	805	
1995	1,197	234	1,431	709	
1994	1,188	267	1,455	629	
1993	1,338	195	1,533	812	
1992	1,110	117	1,227	650	
1991	989	90	1,079	558	
1990	766	203	969	464	
1989	959	292	1,251	630	
1988	1,193	370	1,563	658	
1987	1,085	315	1,400	595	
1986	1,338	495	1,833	784	
1985	1,209	733	1,942	721	
1984	1,213	399	1,612	597	
1983	1,141	547	1,688	773	
1982	943	360	1,303	521	
1981	639	271	910	457	
1980	1,061	421	1,482	532	
1979	1,124	374	1,498	559	
1978	1,581	463	2,044	805	
1977	1,677	465	2,142	835	
1976	1,416	388	1,804	767	
1975	1,102	219	1,321	669	
1974	799	176	975	417	
1973	908	618	1,526	519	
1972	1,402	964	2,366	772	

Sources: U.S. Census Bureau for housing starts and sales of new one- to four-unit properties; National Association of Realtors for sales of existing one- to four-unit properties.
N/A = not available
Seasonally adjusted annual rates.
a Components may not add to totals due to rounding.
**Data at end of period as reported by Bloomberg. Historical values in this table are subject to revision and therefore may not match values for the same period in previous Annual Reports to Congress.

TABLE 27 • WEIGHTED REPEAT SALES HOUSE PRICE INDEX (ANNUAL DATA)[a]

Period	USA	New England	Mid-Atlantic	South Atlantic	East North Central	West North Central	East South Central	West South Central	Mountain	Pacific
4Q21	3.33	2.46	2.52	4.21	2.63	2.44	4.23	3.54	3.50	3.52
3Q21	4.22	3.51	2.84	5.53	3.09	2.88	4.82	4.66	5.71	4.13
2Q21	5.05	5.29	4.41	5.11	4.20	4.38	5.37	4.68	6.96	5.83
1Q21	3.90	3.98	3.37	4.00	3.34	3.30	3.34	3.86	5.20	4.68
Annual Data										
2021	17.54	16.11	13.80	20.21	13.92	13.64	18.96	17.82	23.10	19.42
2020	11.13	12.80	11.23	11.20	11.06	9.94	10.99	8.98	13.57	11.89
2019	5.40	4.66	4.86	5.94	5.40	5.10	5.71	4.58	7.14	5.01
2018	5.63	4.84	4.67	6.04	5.83	5.69	5.85	4.30	8.04	5.49
2017	6.21	5.36	4.76	6.08	5.62	5.07	5.42	6.08	8.53	8.31
2016	5.92	4.53	4.02	6.64	5.55	5.05	5.07	5.26	7.88	7.61
2015	5.44	3.67	2.43	6.35	4.04	4.33	4.49	5.88	7.84	8.05
2014	4.62	2.52	1.86	4.93	4.09	3.98	3.24	5.57	5.73	7.21
2013	6.80	3.06	2.65	7.18	5.56	3.99	3.11	5.35	10.55	15.05
2012	4.85	0.41	1.22	4.77	2.72	3.72	2.51	4.74	11.76	10.10
2011	(2.52)	(2.19)	(3.82)	(2.52)	(2.67)	(1.31)	(1.30)	0.76	(3.73)	(4.94)
2010	(3.99)	(2.26)	(1.78)	(5.45)	(3.09)	(3.37)	(4.10)	(2.27)	(7.40)	(5.14)
2009	(2.54)	(2.04)	(1.96)	(4.09)	(2.26)	(0.52)	(1.29)	0.82	(7.38)	(3.40)
2008	(10.12)	(6.70)	(5.31)	(14.22)	(7.96)	(4.62)	(3.90)	(2.00)	(13.96)	(21.82)
2007	(2.71)	(2.57)	(0.05)	(3.66)	(3.57)	(0.78)	1.73	3.19	(3.53)	(10.06)
2006	2.85	(1.97)	2.32	4.70	(0.15)	1.98	5.90	6.15	6.78	0.26
2005	10.23	6.34	9.98	14.88	3.39	4.87	7.47	6.78	17.81	18.15
2004	10.18	10.53	12.23	12.88	4.26	5.48	5.19	4.39	12.84	21.86
2003	7.83	10.68	10.96	8.54	4.63	5.58	4.06	3.14	6.81	15.58
2002	7.63	13.42	11.63	8.11	4.45	5.56	3.33	3.67	5.50	13.97
2001	6.72	11.94	9.39	7.33	4.76	6.13	3.25	3.98	5.35	9.66
2000	6.94	12.58	8.33	6.38	5.15	6.38	2.77	5.54	5.45	11.31
1999	6.15	9.96	6.81	5.73	5.11	5.51	3.85	5.38	5.60	8.64
1998	5.68	7.91	4.87	4.50	4.87	6.51	4.72	5.58	4.65	8.78
1997	3.30	4.41	2.02	3.19	3.39	3.59	2.84	3.08	3.14	4.31
1996	2.77	2.52	0.86	2.78	4.43	3.99	3.87	2.30	3.81	1.00
1995	2.73	1.05	0.15	2.57	4.94	4.80	4.79	2.97	4.92	(0.51)
1994	2.87	0.38	(0.76)	3.46	4.88	4.34	5.19	3.19	8.55	(1.13)
1993	2.77	(1.86)	0.04	2.36	4.71	6.20	4.70	4.62	9.54	(2.49)
1992	2.70	(0.45)	1.75	2.11	4.65	4.21	3.99	3.69	6.72	(1.10)
1991	3.12	(2.24)	1.54	3.01	4.72	3.78	4.02	3.96	5.64	1.90
1990	1.22	(7.18)	(2.48)	0.40	3.80	1.11	0.47	0.65	2.42	5.70
1989	5.61	0.79	2.50	4.42	5.96	3.29	2.77	2.57	2.57	18.32
1988	5.62	4.21	6.67	5.76	6.43	2.55	2.31	(1.75)	0.86	16.35
1987	5.45	15.09	16.00	5.81	7.64	2.46	3.38	(8.23)	(2.75)	8.63
1986	7.29	21.09	17.59	6.64	7.21	3.78	5.46	(0.01)	2.42	6.44
1985	5.72	22.44	13.56	5.11	4.82	3.66	5.56	(1.67)	2.31	4.73
1984	4.68	14.97	11.12	4.48	2.85	3.83	4.18	0.12	2.69	4.00
1983	5.30	13.67	11.88	5.83	4.71	4.23	4.27	4.07	(0.72)	1.64
1982	3.93	7.27	6.51	4.90	(2.71)	1.94	7.90	6.76	6.05	3.36
1981	2.77	6.53	1.59	2.69	1.75	0.49	(2.96)	6.38	6.17	3.88
1980	6.47	5.43	8.82	9.61	1.04	3.84	5.16	7.87	6.15	10.06
1979	12.31	13.95	15.84	11.78	7.82	10.46	8.00	14.74	14.48	16.28
1978	13.35	17.70	4.77	10.17	15.33	13.59	11.49	16.66	17.75	17.02
1977	14.76	8.22	12.66	10.07	15.00	15.76	10.66	14.59	16.58	25.49
1976	8.05	9.82	(1.59)	4.39	7.20	7.79	6.24	9.26	13.11	20.46

Source: Federal Housing Finance Agency

[a] Percentage changes based on FHFA's purchase-only index for 1992 through 2020 and all-transactions index for prior years. Annual data are measured based on fourth quarter to fourth quarter percentage change. Quarterly data for 2019 reflect changes over the previous four quarters. Because quarterly index estimates are subject to revision, the historical values in this table may not exactly match values for the same period in previous Annual Reports to Congress.

Regional Divisions

New England: Connecticut, Maine, Massachusetts, New Hampshire, Rhode Island, Vermont
Mid-Atlantic: New Jersey, New York, Pennsylvania
South Atlantic: Washington, D.C., Delaware, Florida, Georgia, Maryland, North Carolina, South Carolina, Virginia, West Virginia
East North Central: Illinois, Indiana, Michigan, Ohio, Wisconsin
West North Central: Iowa, Kansas, Minnesota, Missouri, Nebraska, North Dakota, South Dakota
East South Central: Alabama, Kentucky, Mississippi, Tennessee
West South Central: Arkansas, Louisiana, Oklahoma, Texas
Mountain: Arizona, Colorado, Idaho, Montana, Nevada, New Mexico, Utah, Wyoming
Pacific: Alaska, California, Hawaii, Oregon, Washington

Notes

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FEDERAL HOUSING FINANCE AGENCY
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