



ANNUAL HOUSING REPORT

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Division of Housing Mission & Goals

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Introduction

The Federal National Mortgage Association (Fannie Mae) and the Federal Home Loan Mortgage Corporation (Freddie Mac) perform important roles under their charters in providing a stable source of housing finance that supports access to mortgage credit for low- and moderate-income families, as well as those in underserved areas.¹ Over the last 12 years, the Federal Housing Finance Agency (FHFA) has encouraged Fannie Mae and Freddie Mac (the Enterprises) to engage in a number of initiatives that help identify obstacles to accessing mortgage credit, analyze potential solutions, and develop appropriate strategies to improve and maintain availability of credit for housing in a safe and sound manner.

The Federal Housing Enterprises Financial Safety and Soundness Act of 1992 (Safety and Soundness Act) requires that FHFA establish several annual housing goals for both single-family and multifamily mortgages purchased by Fannie Mae and Freddie Mac. As required, FHFA established housing goals for the Enterprises for 2018 through 2020 in a final rule published in the *Federal Register* on February 12, 2018.² The housing goals include separate affordable housing categories for single-family and multifamily mortgages.

FHFA oversees the Enterprises' annual housing goals requirements. FHFA's assessment of the Enterprises' performance against the 2019 single-family housing goals involves a two-step process: (1) an evaluation of each Enterprise's actual performance against benchmark levels set by FHFA; and (2) an evaluation of actual

Mission and Role

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 Fannie Mae, Freddie Mac, and the Federal Home Loan Bank (Bank or FHLBank) System, which includes 11 FHLBanks and the Office of Finance. FHFA's mission is to ensure that the regulated entities operate in a safe and sound manner so that they 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, as described in the *Strategic Plan for the Conservatorships of Fannie Mae and Freddie Mac*.

¹ See Federal National Mortgage Association Charter Act, 12 U.S.C. § 1716, and Federal Home Loan Mortgage Corporation Act, 12 U.S.C. § 1451 Note.

² See 83 Fed. Reg. 5878 (Feb. 12, 2018), codified at 12 CFR part 1282.



performance against market performance based on analysis of public loan origination data submitted under the Home Mortgage Disclosure Act (HMDA). FHFA's assessment of the Enterprises' performance against the 2019 multifamily goals involves an evaluation of actual performance against benchmark levels. There is no market comparison for the multifamily goals.

Apart from the housing goals, FHFA, in its role as conservator, sets expectations for the Enterprises in its annual Conservatorship Scorecard. The Enterprises undertook various initiatives in 2019 to identify obstacles to borrowers, analyze potential solutions, assess market opportunities, and implement promising solutions. Annual conservatorship scorecards set specific objectives within the overall *Strategic Plan for the Conservatorships of Fannie Mae and Freddie Mac*.³ The Enterprises pursued activities affecting both homeownership and rental housing.⁴

In December 2016, FHFA published a final rule to establish a Duty to Serve program that impacts both homeownership and rental housing, pursuant to the Duty to Serve Requirements in the Safety and Soundness Act. The rule requires the Enterprises to serve very low-, low-, and moderate-income families in three underserved markets: manufactured housing, affordable housing preservation, and rural housing.⁵ The rule creates a planning, implementation, and assessment process that occurs in three-year cycles and is designed to encourage greater and more liquid mortgage investments by private capital in the three underserved markets. The Enterprises completed development of their Underserved Markets Plans in 2017 and implementation of the Plans started in 2018. The Duty to Serve section of this Report describes the planning process and the Plans submitted by the Enterprises.

The Enterprises also make contributions to two funds specifically for affordable housing: the National Housing Trust Fund and the Capital Magnet Fund. The contributions follow a statutory formula, and the funds are allocated at the state and federal levels to address affordable housing needs that are not otherwise served fully by private capital sources. The section of this Report on these affordable housing allocations provides more information about these funds.

In addition to describing the affordable housing activities of the Enterprises during 2019, this

³ See <https://www.fhfa.gov/AboutUs/Reports/Pages/2014-Conservatorships-Strategic-Plan.aspx>.

⁴ 2018 Scorecard Progress Report, <https://www.fhfa.gov/AboutUs/Reports/ReportDocuments/2018-Scorecard-Progress-Report.pdf>.

⁵ See 81 Fed. Reg. 96242 (Dec. 29, 2016), codified at 12 CFR part 1282.



Report provides information on single-family loan purchases by the Enterprises by race or ethnicity, gender, census tract median income, fixed-rate vs. adjustable-rate, loan-to-value ratio, and credit score. The Report also discusses subprime, nontraditional, and higher-priced mortgage loans.⁶ The Report discusses the Enterprises' 2019 Public Use Database (PUDB). Lastly, this year's Report includes information about the national mortgage market based on the National Mortgage Database (NMDB[®]), a program jointly funded and managed by FHFA and the Consumer Financial Protection Bureau, which has developed and maintains a nationally representative five percent sample of residential mortgages in the United States.

⁶ The Safety and Soundness Act requires reporting of these categories. *See* 12 U.S.C. § 4544.



Housing Goals

I. Housing Goals – Introduction

The Safety and Soundness Act requires FHFA to establish annual housing goals for both single-family and multifamily mortgages purchased by Fannie Mae and Freddie Mac.⁷ The housing goals are one measure of the extent to which the Enterprises are meeting their public purposes, which include “an affirmative obligation to facilitate the financing of affordable housing for low- and moderate-income families in a manner consistent with their overall public purposes, while maintaining a strong financial condition and a reasonable economic return.”⁸

The Enterprises have continued to support a stable and liquid national market for residential mortgage financing. FHFA establishes annual housing goals for the Enterprises and assesses their performance against the housing goals each year.⁹ FHFA established housing goals for the Enterprises for 2018 through 2020 in a final rule published in the *Federal Register* on February 12, 2018.¹⁰ FHFA established the following goals and subgoals for mortgages on single-family, owner-occupied housing and mortgages on multifamily housing:

Single-Family Goals and Subgoal

1. **A low-income home purchase goal** for home purchase mortgages to families with incomes no greater than 80 percent of area median income (AMI);
2. **A very low-income home purchase goal** for home purchase mortgages to families with incomes no greater than 50 percent of AMI;
3. **A low-income areas home purchase subgoal** for home purchase mortgages to families living in census tracts with tract 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 30 percent or more and a tract median income of less than 100 percent of AMI;

⁷ See 12 U.S.C. § 4561(a).

⁸ See 12 U.S.C. § 4501(7).

⁹ Under 12 U.S.C. § 4544(b)(1)(A)(i), FHFA is required to discuss in the annual housing report whether and how each Enterprise is achieving the annual housing goals.

¹⁰ See 83 Fed. Reg. 5878 (Feb. 12, 2018), codified at 12 CFR part 1282.



4. **A low-income areas home purchase goal** for mortgages that meet the criteria under the low-income areas home purchase subgoal described above, as well as home purchase mortgages to families with incomes no greater than 100 percent of AMI who live in a federally declared disaster area; and
5. **A low-income refinance goal** for refinance mortgages to families with incomes no greater than 80 percent of AMI.

Multifamily Goal and Subgoals

1. **A low-income multifamily goal** for rental units in multifamily properties affordable to families with incomes no greater than 80 percent of AMI;
2. **A very low-income multifamily subgoal** for rental units in multifamily properties affordable to families with incomes no greater than 50 percent of AMI; and
3. **A small multifamily low-income subgoal** for rental units in multifamily properties with 5-50 units affordable to families with incomes no greater than 80 percent of AMI.

II. 2019 Housing Goals Performance

Based on FHFA's final determinations, the Enterprises' purchases of mortgages exceeded the benchmarks for all of the housing goals for 2019. The sections below explain the structure of the housing goals and provide the detailed performance of each Enterprise based on the final determinations.

A. 2019 Housing Goals Performance – Single-Family

The single-family housing goal levels for 2018 through 2020 are expressed as percentages of each Enterprise's purchases of mortgages on single-family owner-occupied properties. FHFA established separate single-family home purchase and refinance goals.

For the single-family housing goals for 2018 through 2020, an Enterprise achieves a goal if its performance meets or exceeds at least one of the following:

- The specific benchmark levels established in FHFA's February 12, 2018 final rule; or



- The “market,” which is defined as the share of conventional, conforming mortgage originations that qualified for the goal based on FHFA’s analysis of HMDA data.

The benchmark serves as a prospective goal that the Enterprises can plan for, while the market level calculation serves as a retrospective look at the year.

FHFA analyzes the single-family mortgage market by calculating the share of home purchase or refinance mortgages originated in the primary mortgage market that qualified for the goal in that year. The market level figures are defined as HMDA-reported conventional loans on owner-occupied properties with principal balances less than or equal to the Enterprises’ conforming loan limits. Therefore, the market level figures exclude loans insured or guaranteed by the federal government, such as the Federal Housing Administration (FHA), U.S. Department of Veterans Affairs (VA), and U.S. Department of Agriculture Rural Housing Service (RHS).¹¹ FHFA bases these calculations on its analysis of public HMDA data that is made available by the Consumer Financial Protection Bureau (CFPB) based on data submitted to the Federal Financial Institutions Examination Council (FFIEC) by primary market mortgage originators. Typically, public HMDA data is released well after the end of the calendar year.

FHFA notified Fannie Mae and Freddie Mac of the Agency’s preliminary determination that each Enterprise met all the single-family housing goals in 2019. Following receipt of each Enterprise’s response to the preliminary determination letter, FHFA made a final determination of the Enterprise’s performance on the single-family housing goals for 2019.

FHFA has determined that both Enterprises achieved all of the single-family housing goals in 2019, as shown in **Tables 1** and **2** below. The final determination letters appear in Appendix A of this Report.

¹¹ FHFA defines the market level figures to include the same kinds of loans that are counted in determining Enterprise performance on the housing goals.



Fannie Mae – Single-Family

Table 1: Fannie Mae Single-Family Housing Goals and Final Determination of 2019 Performance

	Benchmark Level	Market Level	FHFA Final Determination of Fannie Mae's 2019 Performance
Low-Income Home Purchase Goal	24%	26.6%	27.8%
Very Low-Income Home Purchase Goal	6%	6.6%	6.5%
Low-Income Areas Home Purchase Goal	19%	22.9%	24.5%
Low-Income Areas Home Purchase Subgoal	14%	18.1%	19.5%
Low-Income Refinance Goal	21%	24.0%	23.8%

Source: FHFA analysis of 2019 Fannie Mae and HMDA data.

Freddie Mac – Single-Family

Table 2: Freddie Mac Single-Family Housing Goals and Final Determination of 2019 Performance

	Benchmark Level	Market Level	FHFA Final Determination of Freddie Mac's 2019 Performance
Low-Income Home Purchase Goal	24%	26.6%	27.4%
Very Low-Income Home Purchase Goal	6%	6.6%	6.8%
Low-Income Areas Home Purchase Goal	19%	22.9%	22.9%
Low-Income Areas Home Purchase Subgoal	14%	18.1%	18.0%
Low-Income Refinance Goal	21%	24.0%	22.4%

Source: FHFA analysis of 2019 Freddie Mac and HMDA data.

B. 2019 Housing Goal Performance - Multifamily

FHFA establishes the multifamily goals as minimum numbers of multifamily units qualifying for the goals. FHFA does not perform a retrospective market share analysis because there is no comprehensive multifamily market data comparable to single-family HMDA data. Prior to 2015, FHFA had set multifamily housing goals at different levels for each Enterprise, but the final rule



published in 2015 established identical multifamily housing goals for both Enterprises for 2015 through 2017. The 2018 final rule continued the practice of establishing identical multifamily goals for 2018 through 2020.

FHFA notified Fannie Mae and Freddie Mac of the Agency’s preliminary determination that each Enterprise met all of the multifamily housing goals in 2019. Following receipt of each Enterprise’s response to the preliminary determination letter, FHFA made a final determination on Enterprise’s performance on the multifamily housing goals for 2019.

FHFA has determined that both Enterprises achieved all of the multifamily housing goals in 2019, as shown in **Tables 3** and **4** below. The final determination letters appear in Appendix A of this Report.

Fannie Mae – Multifamily

Table 3: Fannie Mae Multifamily Housing Goals and Final Determination of 2019 Performance

	Benchmark Level	FHFA Preliminary Determination of Fannie Mae’s 2019 Performance
Low-Income Multifamily Goal	315,000	385,763
Very Low-Income Multifamily Subgoal	60,000	79,649
Small Multifamily Low-Income Subgoal	10,000	17,832

Source: FHFA analysis of 2019 Fannie Mae data

Freddie Mac – Multifamily

Table 4: Freddie Mac Multifamily Housing Goals and Final Determination of 2019 Performance

	Benchmark Level	FHFA Final Determination of Freddie Mac’s 2019 Performance
Low-Income Multifamily Goal	315,000	455,451
Very Low-Income Multifamily Subgoal	60,000	112,773
Small Multifamily Low-Income Subgoal	10,000	34,847

Source: FHFA analysis of 2019 Freddie Mac data.



Enterprise Data Compared to Market Data

In its 2019 *Annual Mortgage Report*, Fannie Mae reported that it acquired \$568.3 billion of loans on single-family, owner-occupied housing.¹⁶ In Freddie Mac's 2019 *Annual Mortgage Report*, Freddie Mac reported that it acquired \$429.4 billion of such loans.¹⁷ **Tables 5** through **9** below show various characteristics of the mortgages purchased by Fannie Mae and Freddie Mac in 2019 and the corresponding characteristics of mortgages originated in the conventional, conforming primary market, as determined by FHFA's analysis of publicly-available HMDA data.¹⁸

The tables reflect the Enterprises' acquisitions of conventional home purchase and refinance mortgages on single-family, owner-occupied properties. Loans for which information was missing or not provided are not included in this analysis. The market figures in these tables refer to the conventional conforming market including both Enterprise and non-Enterprise loans, measured by HMDA-reported loans originated each year on owner-occupied properties with principal balances less than or equal to the Enterprises' conforming loan limits, excluding any loans insured or guaranteed by the federal government, such as FHA, VA, or RHS loans.

Table 5 shows the distribution of Enterprise mortgages acquired and the distribution of originations in the conventional, conforming market by borrower income in 2018 and 2019.

¹⁶ See <http://www.fanniemae.com/resources/file/aboutus/pdf/2018ahar.pdf>.

¹⁷ See [http://www.freddie.com/about/pdf/2018 Freddie Mac AHAR.pdf](http://www.freddie.com/about/pdf/2018_Freddie_Mac_AHAR.pdf) and [https://www.fhfa.gov/PolicyProgramsResearch/Programs/AffordableHousing/Documents/Fred_M_Goals/ahdr fhfa tables_qtly_20194Q.pdf](https://www.fhfa.gov/PolicyProgramsResearch/Programs/AffordableHousing/Documents/Fred_M_Goals/ahdr_fhfa_tables_qtly_20194Q.pdf).

¹⁸ Under 12 U.S.C. § 4544(b)(3), FHFA is required to "aggregate and analyze data on income, race, and gender by census tract and other relevant classifications, and compare such data with larger demographic, housing, and economic trends."



Table 5: Enterprise Acquisitions of Mortgages on Single-Family Owner-Occupied Properties by Borrower Income, and Corresponding Shares of the Conventional, Conforming Market

Home Purchase						
	2018			2019		
Borrower Income Ratio*	Market	Fannie Mae	Freddie Mac	Market	Fannie Mae	Freddie Mac
<=50%	6.5%	6.7%	6.3%	6.6%	6.5%	6.8%
>50% to <=60%	5.5%	6.3%	5.6%	5.8%	6.2%	5.9%
>60% to <=80%	13.5%	15.2%	13.8%	14.2%	15.1%	14.7%
>80% to <=100%	13.3%	14.7%	14.2%	13.3%	14.7%	14.0%
>100% to <=120%	11.7%	12.3%	12.9%	11.8%	12.6%	12.4%
>120%	49.5%	44.7%	47.2%	48.3%	44.9%	46.2%
Totals	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
Refinance						
	2018			2019		
Borrower Income Ratio*	Market	Fannie Mae	Freddie Mac	Market	Fannie Mae	Freddie Mac
<=50%	9.7%	9.5%	7.8%	6.4%	5.8%	5.5%
>50% to <=60%	6.3%	6.5%	5.7%	4.9%	5.0%	4.6%
>60% to <=80%	14.6%	15.2%	13.8%	12.7%	12.9%	12.2%
>80% to <=100%	14.3%	14.7%	14.7%	13.6%	14.1%	14.2%
>100% to <=120%	12.3%	12.8%	13.1%	12.7%	13.2%	13.4%
>120%	42.8%	41.3%	44.9%	49.7%	48.9%	50.0%
Totals	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%

*Borrower Income Relative to Area Median Income

Source: FHFA analysis of 2018 and 2019 Enterprise and HMDA data. Percentages may not add to 100.0% due to rounding.



Table 6 below shows the distribution of Enterprise mortgages acquired and the originations distribution in the conventional, conforming market by race/ethnicity of the borrower(s) in 2018 and 2019.

Table 6: Enterprise Acquisitions of Mortgages on Single-Family Owner-Occupied Properties by Borrower Race/Ethnicity, and Corresponding Shares of the Conventional, Conforming Market

Home Purchase						
Race/Ethnicity of Borrower(s)	2018			2019		
	Market	Fannie Mae	Freddie Mac	Market	Fannie Mae	Freddie Mac
Hispanic or Latino	9.2%	10.8%	8.8%	9.9%	12.1%	9.4%
American Indian/Alaskan Native	0.2%	0.2%	0.2%	0.2%	0.2%	0.2%
Asian	7.6%	6.9%	7.3%	7.5%	7.1%	7.2%
African American	4.1%	4.7%	3.5%	4.3%	4.8%	3.6%
Native Hawaiian/Pacific Islander	0.1%	0.2%	0.1%	0.1%	0.1%	0.1%
Non-Hispanic White Alone	77.7%	76.5%	77.8%	77.0%	74.8%	77.2%
Two or More Races	1.0%	0.7%	2.2%	1.0%	0.9%	2.3%
Totals	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
Refinance						
Race/Ethnicity of Borrower(s)	2018			2019		
	Market	Fannie Mae	Freddie Mac	Market	Fannie Mae	Freddie Mac
Hispanic or Latino	10.0%	11.6%	9.7%	9.2%	10.7%	9.1%
American Indian/Alaskan Native	0.3%	0.3%	0.2%	0.2%	0.2%	0.2%
Asian	4.4%	4.5%	4.1%	6.9%	7.1%	6.2%
African American	5.0%	5.7%	4.6%	3.9%	4.1%	3.7%
Native Hawaiian/Pacific Islander	0.2%	0.3%	0.2%	0.2%	0.2%	0.2%
Non-Hispanic White Alone	79.3%	76.9%	79.2%	78.8%	76.9%	78.6%
Two or More Races	0.7%	0.7%	1.9%	0.8%	0.8%	2.1%
Totals	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%

Source: FHFA analysis of 2018 and 2019 Enterprise and HMDA data. Percentages may not add to 100.0% due to rounding.



Table 7 below shows the distribution of Enterprise mortgages acquired and the originations distribution in the conventional, conforming market by gender of borrower in 2018 and 2019.

Table 7: Enterprise Acquisitions of Mortgages on Single-Family Owner-Occupied Properties by Borrower Gender, and Corresponding Shares of the Conventional, Conforming Market

Home Purchase						
	2018			2019		
Gender of Borrower(s)	Market	Fannie Mae	Freddie Mac	Market	Fannie Mae	Freddie Mac
One Borrower (Male)	31.7%	32.6%	32.7%	31.5%	32.1%	32.4%
One Borrower (Female)	22.6%	24.1%	23.0%	22.6%	23.5%	23.0%
Co-Borrowers (All Male)	1.5%	1.7%	1.6%	1.5%	1.8%	1.7%
Co-Borrowers (All Female)	1.3%	1.6%	1.5%	1.3%	1.6%	1.5%
Co-Borrowers (Male and Female)	42.9%	40.0%	41.1%	43.1%	41.1%	41.5%
Totals	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
Refinance						
	2018			2019		
Gender of Borrower(s)	Market	Fannie Mae	Freddie Mac	Market	Fannie Mae	Freddie Mac
One Borrower (Male)	29.1%	31.1%	30.7%	30.5%	31.5%	31.6%
One Borrower (Female)	24.2%	25.8%	23.8%	21.7%	22.7%	22.0%
Co-Borrowers (All Male)	0.9%	1.0%	1.0%	0.9%	1.0%	0.9%
Co-Borrowers (All Female)	1.0%	1.1%	1.1%	0.9%	1.0%	1.0%
Co-Borrowers (Male and Female)	44.8%	41.0%	43.5%	46.1%	43.8%	44.5%
Totals	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%

Source: FHFA analysis of 2018 and 2019 Enterprise and HMDA data. Percentages may not add to 100.0% due to rounding.



Table 8 below shows the Enterprises' mortgage purchases distribution and the originations distribution in the conventional, conforming market by the minority share of the population in the census tract in 2018 and 2019.

Table 8: Enterprise Acquisitions of Mortgages on Single-Family Owner-Occupied Properties by Minority Share of Census Tract, and Corresponding Shares of the Conventional, Conforming Market

Home Purchase						
	2018			2019		
Minority Share of Census Tract Population	Market	Fannie Mae	Freddie Mac	Market	Fannie Mae	Freddie Mac
<10%	26.1%	22.6%	23.6%	26.1%	22.5%	23.9%
>=10% to <20%	25.6%	25.5%	26.2%	25.6%	25.4%	26.2%
>=20% to <30%	15.7%	16.2%	16.5%	15.7%	16.2%	16.5%
>=30% to <50%	17.5%	18.6%	18.5%	17.5%	18.7%	18.3%
>=50% to <80%	10.8%	12.1%	11.3%	10.7%	12.1%	11.1%
>=80%	4.2%	5.1%	4.0%	4.3%	5.1%	4.1%
Totals	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
Refinance						
	2018			2019		
Minority Share of Census Tract Population	Market	Fannie Mae	Freddie Mac	Market	Fannie Mae	Freddie Mac
<10%	27.6%	22.3%	25.4%	25.9%	22.0%	23.9%
>=10% to <20%	23.1%	22.6%	23.7%	24.2%	23.9%	24.6%
>=20% to <30%	14.2%	14.8%	14.8%	15.0%	15.5%	15.5%
>=30% to <50%	16.6%	18.3%	17.4%	17.3%	18.6%	18.0%
>=50% to <80%	12.0%	14.0%	12.3%	11.9%	13.3%	12.2%
>=80%	6.6%	8.0%	6.4%	5.7%	6.7%	5.7%
Totals	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%

Source: FHFA analysis of 2018 and 2019 Enterprise and HMDA data. Percentages may not add to 100.0% due to rounding.



Table 9 below shows the Enterprises' mortgage purchases distribution and the originations distribution in the conventional, conforming market by the median income level of the population in the census tract in 2018 and 2019.

Table 9: Enterprise Acquisitions of Mortgages on Single-Family Owner-Occupied Properties by Census Tract Median Income Relative to Area Median Income, and Corresponding Shares of the Conventional, Conforming Market

Home Purchase						
	2018			2019		
Census Tract Income Ratio*	Market	Fannie Mae	Freddie Mac	Market	Fannie Mae	Freddie Mac
<=60%	4.3%	4.9%	4.0%	4.2%	4.6%	4.2%
>60% to <=80%	10.4%	11.2%	9.8%	10.5%	10.9%	10.2%
>80% to <=100%	20.8%	20.7%	20.1%	20.7%	20.5%	19.6%
>100% to <=120%	23.8%	23.2%	23.5%	24.0%	23.3%	23.4%
>120%	40.7%	40.1%	42.7%	40.6%	40.6%	42.6%
Totals	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
Refinance						
	2019			2019		
Census Tract Income Ratio*	Market	Fannie Mae	Freddie Mac	Market	Fannie Mae	Freddie Mac
<=60%	4.5%	4.7%	4.3%	3.6%	3.8%	3.5%
>60% to <=80%	11.2%	11.5%	10.9%	9.7%	9.9%	9.4%
>80% to <=100%	22.6%	22.0%	22.2%	20.1%	19.6%	19.8%
>100% to <=120%	24.4%	23.9%	24.6%	24.0%	23.6%	24.1%
>120%	37.3%	37.9%	38.0%	42.7%	43.2%	43.2%
Totals	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%

*Median income of the census tract relative to Area Median Income (AMI).

Source: FHFA analysis of 2018 and 2019 Enterprise and HMDA data. Percentages may not add to 100.0% due to rounding.



Multifamily Housing

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 while not impeding the participation of private capital. To encourage the Enterprises' financing in underserved markets segments, FHFA originally excluded several categories of business from the cap.

As the multifamily mortgage market has grown over the past decade, so has the Enterprises' share of the market. In order to place the Enterprises in a more countercyclical role, on September 13, 2019, FHFA revised the cap structure by placing a hard cap on all multifamily loan purchases and requiring a minimum amount of financing for affordable and underserved market segments.¹⁹ The new cap is \$100 billion for each Enterprise, a combined total of \$200 billion, for the five-quarter period from the fourth quarter of 2019 through the fourth quarter of 2020. The new cap applies to the entire multifamily business for each Enterprise, and there are no longer any exclusions. To ensure a strong focus on affordable housing and underserved markets, FHFA directed that at least 37.5 percent of each Enterprises' multifamily loan purchases be mission-driven affordable housing.

Multifamily loans considered to be mission-driven affordable include:

- subsidized affordable housing,
- manufactured housing communities,
- affordable units in small multifamily properties between 5 and 50 units,
- affordable properties in rural areas,
- affordable units in seniors' assisted living properties, and
- market-rate units that are affordable to very low-, low-, and moderate-income tenants in standard, cost-burdened, very cost-burdened, and extremely cost-burdened renter markets.²⁰

¹⁹ Press release dated September 13, 2019, available at: <https://www.fhfa.gov/Media/PublicAffairs/Pages/FHFA-Revises-Multifamily-Loan-Purchase-Caps-for-Fannie-Mae-and-Freddie-Mac.aspx>.

²⁰ Income thresholds for affordability in renter markets are defined as: standard renter markets at 60 percent of AMI or below; cost-burdened renter markets at 80 percent of AMI or below; very cost-burdened renter markets at 100 percent of AMI or below; and extremely cost-burdened renter markets at 120 percent of AMI or below.



Loans that finance energy and water efficiency improvements are considered conventional business, unless they meet other mission-driven affordability requirements as outlined in the revised Appendix A to the 2019 Conservatorship Scorecard.²¹

In the first three quarters of 2019, the Enterprises managed their multifamily loan production within the published cap applicable at the time, which was \$35 billion for each Enterprise as established in the 2019 Conservatorship Scorecard.²² Fannie Mae's total multifamily finance activity for the first three quarters of 2019 was approximately \$52.2 billion, with \$22.8 billion within the cap and \$29.4 billion in the excluded categories. Freddie Mac's total multifamily finance activity for the first three quarters of 2019 was approximately \$60.5 billion, with \$24.4 billion within the cap and \$36.0 billion in the excluded categories.

In the fourth quarter of 2019, the Enterprises actively managed their multifamily loan production to stay within the published cap as revised on September 13, 2019. Fannie Mae's total multifamily finance activity for the fourth quarter of 2019 was \$18.0 billion, of which \$10.9 billion was conventional business and \$7.2 billion (39.7 percent) was mission-driven business. Freddie Mac's total multifamily finance activity for the fourth quarter of 2019 was \$17.5 billion, of which \$11.1 billion was conventional business and \$6.4 billion (36.4 percent) was mission-driven business. FHFA will continue to track the Enterprises' management of their multifamily loan purchases through the fourth quarter of 2020 to stay within the \$100 billion cap per Enterprise and the required 37.5 percent mission-driven minimum.

The 2019 Conservatorship Scorecard also required the Enterprises to conduct research on multifamily loan programs that finance energy and water efficiency improvements. The Enterprises assessed current practices and potential improvements to measuring and increasing tenant consumption savings. The Enterprises also closely examined the financial, social, and environmental impacts of green multifamily housing, and began to analyze their current and future role in multifamily green improvements financing. This research builds upon the Enterprises' respective multifamily energy and water efficiency programs.

²¹ Revisions to Appendix A of the 2019 Conservatorship Scorecard, available at:

<https://www.fhfa.gov/Conservatorship/Documents/AppendixA-Revisions-to-2019-FHFA-Conservatorship-Scorecard.pdf>.

²² 2019 Conservatorship Scorecard, available at: <https://www.fhfa.gov/AboutUs/Reports/ReportDocuments/2019-Scorecard-12192018.pdf>.



Duty to Serve Underserved Markets

The Safety and Soundness Act establishes a duty for Fannie Mae and Freddie Mac to serve very low-, low-, and moderate-income families in three underserved markets — manufactured housing, affordable housing preservation, and rural housing. Specifically, the statute directs the Enterprises to improve the distribution and availability of mortgage financing in each of these markets and provide leadership to the market in developing loan products and flexible underwriting guidelines, conducting outreach, and making loan purchases and investments.²³

FHFA's Duty to Serve regulation implements these statutory requirements.²⁴ Under the regulation, each Enterprise is required to submit an Underserved Markets Plan (Plan) to FHFA for review and non-objection. The Plan typically covers a three-year period and describes, for each underserved market, the activities and objectives the Enterprise will carry out to meet its Duty to Serve obligations in that market. The regulation lists specific activities in each of the three underserved markets that are eligible to receive credit. Following a public input process, and FHFA's non-objection, the Enterprises' first Plans covering 2018 to 2020 went into effect on January 1, 2018.

FHFA monitored the Enterprises' Duty to Serve implementation throughout 2019 through review of quarterly reports submitted by the Enterprises, among other activities. In March 2020, the Enterprises submitted annual reports to FHFA detailing their actions and progress toward achieving their Plan objectives during 2019.

The Safety and Soundness Act requires FHFA to evaluate annually the Enterprises' compliance with their Duty to Serve obligations and rate their performance for each underserved market. The Duty to Serve regulation provides a framework for evaluating and rating the Enterprises' compliance with their Duty to Serve, which is further specified in separate FHFA Evaluation Guidance. As described in the Evaluation Guidance, FHFA evaluates and rates the Enterprises' performance under their Plans using a three-part process: 1) a quantitative assessment of whether the Enterprise achieved the objectives in its Plan; 2) a qualitative assessment of the impact of the Enterprise's performance of its Plan objectives on affordable housing needs in the underserved markets; and 3) an assessment of extra credit-eligible activities undertaken by the Enterprises. This assessment results in a determination of whether, and the extent to which, an Enterprise has complied with its Duty to Serve obligations in each underserved

²³ 12 U.S.C. § 4565(a)(1).

²⁴ 12 CFR part 1282.



market.

FHFA has evaluated Fannie Mae's and Freddie Mac's 2019 Duty to Serve performance under their initial Plans. FHFA has determined that each Enterprise complied with its Duty to Serve requirements in all three underserved markets. In addition, FHFA finds that each Enterprise performed a satisfactory job of increasing the liquidity and distribution of available capital in each of the three underserved markets. Earlier this year, FHFA issued revised Evaluation Guidance that includes changes to the evaluation process and rating scale for Enterprise performance. These changes were based on experience in the initial years of the program. FHFA intends to release more granular ratings when the recalibrated rating scale goes into effect. Additional information about the Enterprises' 2019 activities is available on the Duty to Serve webpage on FHFA.gov.

In 2019, both Enterprises made significant progress toward increasing liquidity, distribution, and availability of mortgage capital in distinct segments of the underserved markets. Highlights and challenges of selected activities are discussed below.

In the manufactured housing market, both Enterprises took steps to improve liquidity for manufactured housing titled as real property. Together, the Enterprises purchased a combined 16,366 loans secured by manufactured homes titled as real property. With these purchases, Fannie Mae exceeded its target by more than 33 percent, and Freddie Mac exceeded its target by more than 37 percent. Both Enterprises also made substantial efforts to educate and engage with more lenders.

Both Enterprises also participated in research, outreach, and industry engagement activities focused on manufactured housing communities owned by a governmental entity, nonprofit organization, or residents (MHROCs). Fannie Mae and Freddie Mac also both pursued MHROC transactions. However, challenges that continue to constrain liquidity in this segment of the market persisted, and neither Enterprise was able to make an MHROC loan purchase in 2019. Both Enterprises took steps to address these challenges and lay the groundwork for increasing liquidity to MHROCs in the future. These programs have potential to expand in coming years as Fannie Mae and Freddie Mac continue to refine their offerings and pursue education and outreach to lenders and potential borrowers.

Both Enterprises also took actions to increase liquidity for manufactured housing communities that provide tenant pad lease protections. Each Enterprise developed a product enhancement to provide pricing incentives for borrowers to implement pad lease protections in their communities, enabling residents living in such communities to receive protections in their site leases usually not required by state or local government. In total, Fannie Mae and Freddie Mac acquired manufactured housing Community (MHC) loans supporting 4,879 units in MHCs subject to requirements to add pad lease



protections within a year of loan origination.

For manufactured homes titled as personal property, or chattel loans, both Enterprises submitted infeasibility requests on their chattel pilot initiatives, requesting that FHFA exclude these objectives from consideration during the annual Duty to Serve performance evaluation for 2019. An Enterprise may submit an infeasibility request if underserved market conditions or other extenuating circumstances outside of its control substantially interfere with its accomplishment of an objective. FHFA approved these infeasibility requests on February 27, 2020.

In the affordable housing preservation market, both Enterprises demonstrated a commitment to preserving affordable housing supported by Low-Income Housing Tax Credits (LIHTCs). The Enterprises purchased a combined total of 502 loans secured by LIHTC preservation properties. Fannie Mae's 118 loan purchases reflected a 40 percent increase over 2018 and exceeded its 2019 target by 37 percent. Freddie Mac's 384 loan purchases helped finance 373 properties supported by LIHTCs, an increase of 22 percent over 2018, exceeding its 2019 target by nearly 133 percent. These loan purchases provide low-cost financing to support much-needed rehabilitation and new construction of affordable housing.

Fannie Mae also increased its support for a wide range of activities related to the purchase or rehabilitation of distressed properties, including purchasing loans used to acquire or rehabilitate distressed properties, and updating a variance to support the High Combined Loan-to-Value (CLTV) Community Revitalization Initiative, which facilitates purchases of real estate-owned (REO) properties by local governments, nonprofit organizations, and other stakeholders. Despite engaging with multiple local jurisdictions, identifying lending partners, and working to overcome various other challenges to support the Initiative, there were no loan deliveries for this program in 2019. Appraisal gaps and a lack of qualified homebuyers were among the issues that continued to create obstacles. In 2019, Fannie Mae increased its focus on repairing REO properties. Of the properties selected for repair, on average, 90 percent were purchased by owner-occupants.

Both Enterprises also worked toward providing liquidity for properties served by the Department of Housing and Urban Development (HUD) Section 8 program. Although the number of units Freddie Mac supported through these loans decreased slightly from 2018, the number of loans acquired and Freddie Mac's overall share of the Section 8 market increased in 2019. Freddie Mac purchased 369 mortgages backed by properties with Section 8 assistance, encompassing 26,332 units, substantially exceeding its target by 9,082 units and 242 properties.

The Enterprises' actions were constrained by the legal and financial complexities inherent in preserving



multifamily housing subsidized by the U.S. Department of Agriculture (USDA) Section 515 program for affordable rural multifamily housing. Freddie Mac proposed, and FHFA approved, a modification to remove all actions related to the Section 515 program from its Plan in 2019. Fannie Mae also requested to modify its planned Section 515 actions in 2019 but continued pursuing actions to increase liquidity in this segment of the market.

In the rural housing market, both Enterprises made progress in addressing high-needs rural regions.²⁵ Overall, the Enterprises purchased a combined total of 21,942 Duty to Serve-eligible single-family loans in high-needs rural regions in 2019. Additionally, Fannie Mae implemented a product enhancement and standardization element – the High-Needs Rural Regions Initiative – which lays the groundwork for continued focus and growth in these underserved markets through relationships with lenders and borrowers. This initiative works to raise the priority for high-needs rural regions among Fannie Mae’s lender partner network and facilitates the identification process for Duty to Serve -qualifying transactions in these regions.

Fannie Mae purchased 47 Duty to Serve-eligible multifamily loans in high-needs rural regions, exceeding its target by 4 loans. Developing a nationally accepted definition of colonias has been a challenge in the rural housing market, and Fannie Mae partnered with the Housing Assistance Council in 2019 to initiate research that resulted in a system to clearly identify, define, and map Colonia Investment Areas through census tracts. The research was shared with industry stakeholders and peers throughout 2019 to gather feedback, resulting in a database that will assist the public in identifying Colonia Investment Areas.

The Evaluation Guidance provides that if an Enterprise identifies a new opportunity during the year for a positive impact on the needs of an underserved market that is not currently included in its Plan, it may propose to FHFA to add the opportunity on an expedited basis as an “innovation modification.” Freddie Mac used the innovation modification option for the first time in 2019 to receive Duty to Serve credit for creating and hosting the inaugural Rural Research Symposium as a forum for advancing research on rural housing. The event attracted a broad spectrum of housing experts, who shared research findings and insights on topics such as the effectiveness of existing mortgage products and services, who uses them, and their impacts on the rural market. Research presentations were published on Freddie Mac’s web site in early December to offer public access to the information, and Freddie Mac intends to

²⁵ The Duty to Serve regulation defines a “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 and not included in Middle Appalachia, the Lower Mississippi Delta, or a colonia. 12 CFR 1282.1.



continue the symposium as an annual event.

Freddie Mac also substantially enhanced the beta version of a mapping tool it developed in 2018 to help identify Duty to Serve-eligible properties in rural areas, utilizing industry feedback, planned innovations, and insights to create new features to add value to the tool for market stakeholders. The tool was published on October 5, 2019, with new property search capabilities, demographic data, and subsidy types. The tool helps lenders and syndicators target their efforts to Duty to Serve-eligible transactions, increasing the flow of investment capital to these markets.

Other notable accomplishments in the rural housing market include both Enterprises' commitment to LIHTC equity investments. FHFA approved the Enterprises' limited re-entry into the LIHTC equity market at the end of 2017, with each Enterprise's activity in this market limited to \$500 million in investments per year.

Rural renters face significant challenges accessing affordable housing, and LIHTCs are often the only source of subsidy for high-quality affordable housing production and preservation in rural areas. In 2019, Fannie Mae made equity investments in 98 LIHTC projects, accounting for 4,263 units affordable to households earning 60 percent or less of AMI. Freddie Mac made 13 LIHTC equity investments in 13 rural properties in 2019, investing \$111.9 million in units affordable to households making 60 percent or less of AMI. This level of investment exceeded Freddie Mac's annual target of 9 investments in rural areas by 44 percent and its 2018 total by 30 percent.

Each Enterprise made progress in addressing the needs of the rural housing market, but each also has room for improvement within this market. Fannie Mae set a goal of purchasing at least 600 bulk loans in rural areas from small financial institutions in 2019. Fannie Mae made some progress in this area in 2019 but fell short of its goal by 398 loans. Freddie Mac sought to address high-needs rural regions through its Choice Renovation product. The product is targeted to address needs in this market, which has a large share of older and dilapidated homes, but adoption of the product was slow in 2019 and has room for expansion. In normal circumstances, each Enterprise would have submitted an Underserved Markets Plan covering 2021-2023 to FHFA for non-objection in June 2020. However, FHFA has made significant changes to the Duty to Serve program due to the market disruption and uncertainty caused by the COVID-19 pandemic. Specifically, the Enterprises' 2021 activities and objectives will be structured as a one-year extension of their 2018-2020 Plans. As instructed by FHFA, the Enterprises submitted their proposed 2021 activities and objectives to FHFA on September 15, 2020.

Tables 10 and 11 below provide additional details on loan purchase performance for both Enterprises relative to the targets established in their Plans.



Table 10: 2019 Fannie Mae Loan Purchase and Investment Performance Relative to Targets

Underserved Market	Activity ²⁶	2019 Target ²⁷	2019 Purchases ²⁸	Performance Relative to Target
Manufactured Housing	Manufactured homes titled as real property	9,000 loans	11,976 loans	Exceeded
	Manufactured housing communities with certain pad lease protections*	431 units	23 loans 3,492 units	Exceeded
Rural Housing	High-needs rural regions (single-family)	11,000 loans	12,093 loans	Exceeded
	High-needs rural regions (multifamily)	43 loans	47 loans 4,872 units	Exceeded
	Small multifamily rental properties in rural areas*	60 loans	82 loans 2,824 units	Exceeded
	Small financial institutions (flow ²⁹)	7,300 loans	9,432 loans	Exceeded
	Small financial institutions (bulk ³⁰)*	600 loans	202 loans	Partial

²⁶ Each Enterprise determines how it identifies loans as eligible for Duty to Serve credit under a given activity, within parameters established by FHFA. Consequently, loan purchase performance for an activity (for example, LIHTC debt) may not be comparable across Enterprises.

²⁷ 2019 targets are determined by each Enterprise using methodologies described in their Plans.

²⁸ A loan purchase may qualify for Duty to Serve credit under multiple objectives.

²⁹ Flow transactions are loans sold to an Enterprise that have been kept by a seller for less than six months.

³⁰ Bulk transactions are seasoned loans sold to an Enterprise that have been kept on a seller's balance sheet for more than six months.



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	Low Income Housing Tax Credit (LIHTC) investments	42 transactions	98 transactions	Exceeded
Affordable Housing Preservation	Section 8	158 loans	129 loans 16,827 units	Partial
	Section 202*	2 loans	2 loans 195 units	Met
	LIHTC	86 loans	118 loans 16,572 units	Exceeded
	Other state or local affordable housing programs*	30 loans	51 loans 8,328 units	Exceeded
	Multifamily energy efficiency	684 loans	955 loans 180,993 units	Exceeded
	Rental Assistance Demonstration program	10 loans	5 loans 1,307 units	Partial
	Purchase/rehab of distressed properties	7,235 loans	6,092 loans	Partial
	Residential Economic Diversity (RED) – LIHTC*	10 loans	10 loans 1,554 units	Met
	RED – Other state or local affordable housing programs*	4 loans	9 loans 1,366 units	Exceeded

* New loan purchase objective in 2019



Table 11: 2019 Freddie Mac Loan Purchase and Investment Performance Relative to Targets

Underserved Market	Activity ³¹	2019 Target ³²	2019 Purchases ³³	Performance Relative to Target
Manufactured Housing	Manufactured homes titled as real property	3,200 loans	4,390 loans	Exceeded
Rural Housing	High-needs rural regions	8,550 loans	9,849 loans	Exceeded
	Small financial institutions	3,700 loans	4,611 loans	Exceeded
	LIHTC investment (all rural)	9 transactions	13 transactions	Exceeded
	LIHTC investment (high-needs rural regions)	3 transactions	4 transactions	Exceeded
Affordable Housing Preservation	Section 8	17,250 units	369 loans 26,332 units	Exceeded
	Rental Assistance Demonstration Program	2,000 units	15 loans 2,073 units	Exceeded
	LIHTC debt	21,500 units	384 loans 54,302 units	Exceeded
	Small multifamily rental properties	2 transactions	4 transactions	Exceeded
	RED	2,700 units	52 loans 4,733 units	Exceeded

³¹ Each Enterprise determines how it identifies loans as eligible for Duty to Serve credit under a given activity, within parameters established by FHFA. Consequently, loan purchase performance for an activity (for example, LIHTC debt) may not be comparable across Enterprises.

³² 2019 targets are determined by each Enterprise using methodologies described in their Plans.

³³ A loan purchase may qualify for Duty to Serve credit under multiple objectives.



Affordable Housing Allocations

The Safety and Soundness Act requires each Enterprise to set aside in each fiscal year an amount equal to 4.2 basis points (0.042 percent) for each dollar of the unpaid principal balance of its total new business purchases. The Enterprises must allocate or otherwise transfer 65 percent of the amount set aside to HUD to fund the Housing Trust Fund (HTF) and 35 percent to the Treasury Department to fund the Capital Magnet Fund (CMF) within 60 days after the Enterprises' fiscal (calendar) years. FHFA is not involved in the administration of either the HTF or the CMF.

The HTF is designed to assist states in meeting the housing needs of the lowest income families. It provides funds to preserve, rehabilitate, and construct housing for extremely low- and very low-income families. HUD allocates funds to states by formula, and states allocate funds to projects. Each state must use at least 80 percent of its funds for rental housing, while up to 10 percent may go to homeownership activities for first-time homebuyers.

The CMF is a special account within the Community Development Financial Institutions (CDFI) Fund designed to increase investment in affordable housing, economic development, and community service facilities in low-income or underserved areas. The CMF awards funds competitively to CDFIs and qualified nonprofits, aiming to attract private capital to economically distressed communities, including underserved rural areas. Eligible projects are affordable housing activities as well as related economic development activities and community service facilities.

FHFA is statutorily required to temporarily suspend an Enterprise's affordable housing allocation payments if the allocation would (1) contribute to the financial instability of the Enterprise, (2) cause it to be classified as undercapitalized, or (3) hinder it from successfully completing a capital restoration plan. In November 2008, FHFA directed each Enterprise to suspend these allocations until further notice. Those suspensions were lifted on December 11, 2014, when FHFA directed each Enterprise to set aside amounts for allocation to the affordable housing funds, commencing with payments in 2016, based on business volume in 2015.

For purposes of the HTF and CMF set asides and allocations, Fannie Mae's total new business purchases in 2019 amounted to \$666.9 billion. As a result, total affordable housing allocation payments of \$280.1 million were made in March 2020. Freddie Mac's total new business purchases in 2019 amounted to \$529.1 billion. As a result, total affordable housing allocation payments of \$222.2 million were made in March 2020.



Payments into these funds for all years from 2016 through 2020 are shown in **Table 12**. As indicated, record amounts were paid for 2019 in 2020, based on total business volumes in 2019.

Table 12: Affordable Housing Allocation Payments (in millions)

	2016	2017	2018	2019	2020	Total
Fannie Mae	\$216.5	\$268.0	\$239.0	\$215.0	\$280.0	\$1,218.5
Freddie Mac	\$165.4	\$187.1	\$174.8	\$161.7	\$222.2	\$911.2
Total	\$381.9	\$455.1	\$413.8	\$376.7	\$502.2	\$2,129.7



Monthly Survey of Mortgage Markets (National Mortgage Database)

The Safety and Soundness Act requires FHFA to conduct a monthly survey of mortgage markets to collect information on the characteristics of individual mortgages, both those eligible for and those ineligible for Enterprise purchase.³⁴ The statute requires FHFA to collect the following information for each loan: (1) the price of the house securing the mortgage; (2) the loan-to-value ratio of the mortgage (including secondary financing); (3) the terms of the mortgage; (4) the creditworthiness of the borrower or borrowers; and (5) whether the mortgage (if eligible) was purchased by an Enterprise. The statute also requires FHFA to collect information on the loan and borrower characteristics of subprime mortgages and nontraditional mortgages eligible for purchase by the Enterprises, including the creditworthiness of borrowers and other information needed to determine whether these borrowers could have qualified for prime loans.

At the time Congress enacted HERA, there was no single data source containing all the items required to comply with the Safety and Soundness Act. As a result, FHFA initiated the development of the National Mortgage Database (NMDB[®]) program to comply with these requirements. In November 2012, FHFA announced a partnership with CFPB to develop the NMDB.

The core NMDB provides comprehensive information about the U.S. mortgage market based on a 5 percent nationally representative sample of single-family, first lien mortgages outstanding as of 1998, as represented in the files of a national credit bureau. The NMDB program also includes data from a nationally representative quarterly survey of new borrowers drawn from a subset of new mortgages added to the core NMDB, the National Survey of Mortgage Originations (NSMO). Finally, the NMDB program includes data drawn from a second survey of a representative sample of borrowers in mortgage distress conducted annually, the American Survey of Mortgage Borrowers (ASMB).

FHFA continues to establish strong information security systems and protocols, including continuing to review and evaluate every aspect of these systems and protocols to ensure that the statutory objectives of the NMDB are achieved. Appendix D to this Report includes information about the national mortgage market based on the National Mortgage Database (NMDB).

FHFA published or updated the following based on the NMDB since issuing the last Annual Housing

³⁴ See 12 U.S.C. § 4544(c).



Report:

- *National Survey of Mortgage Originations Public Use File*, released on February 20, 2020, which provides data from the NSMO survey and additional administrative data for sample mortgages originated from 2013 to 2017.
- *National Mortgage Database Technical Documentation, NMDB Technical Report 1*, updated on March 10, 2020, which provides users of the NMDB data with background on the development of the database, as well as an assessment of the quality of its data.
- *National Survey of Mortgage Originations Technical Documentation, NMDB Technical Report 2*, updated on February 20, 2020, which provides background information on how NSMO was developed and the codebook and tabulations for the NSMO Public Use File.
- *National Statistics for New Residential Mortgages in the United States*, updated on June 29, 2020, which provides the first set of national statistics derived from the NMDB as a step towards implementing the monthly mortgage market survey public data disclosure required by HERA.
- *National Delinquency Rates in the United States* updated on June 29, 2020, which provides the national delinquency rates for the United States, based on the NMDB.



Subprime and Nontraditional Loans

The Safety and Soundness Act requires FHFA to “identify the extent to which each [E]nterprise is involved in mortgage purchases and secondary market activities involving subprime and nontraditional loans”³⁵ and to “compare the characteristics of subprime and nontraditional loans both purchased and securitized by each [E]nterprise to other loans purchased and securitized by each [E]nterprise.”³⁶ The Safety and Soundness Act does not define the words “subprime” or “nontraditional,” and there is no universally accepted definition for what is considered a subprime or nontraditional loan. In the absence of such definitions, FHFA has provided information on several characteristics that are sometimes used to identify subprime and nontraditional loans. On May 6, 2013, FHFA directed Fannie Mae and Freddie Mac not to purchase interest-only loans, negative amortization loans, loans with terms longer than 30 years, or loans with points and fees exceeding the thresholds established by the Qualified Mortgage rule. This directive became effective on January 10, 2014.³⁷

Appendix B of this Report provides a breakdown of the characteristics of mortgage products purchased by the Enterprises in 2018 and 2019, including information on mortgage product types, loan-to-value ratios, credit scores, and whether loans are fully amortizing.

³⁵ See 12 U.S.C. § 4544(b)(4).

³⁶ See 12 U.S.C. § 4544(b)(5).

³⁷ See <http://www.fhfa.gov/Media/PublicAffairs/Pages/FHFA-Limiting-Fannie-Mae-and-Freddie-MacLoan-Purchases-to-Qualified-Mortgages.aspx>.



Higher-Priced Mortgage Loans

The Safety and Soundness Act requires FHFA to “compare the characteristics of high-cost loans purchased and securitized [by each Enterprise], where such securities are not held on portfolio to loans purchased and securitized, where such securities are either retained on portfolio or repurchased by the [E]nterprise, including such characteristics as (A) the purchase price of the property that secures the mortgage; (B) the loan-to-value ratio of the mortgage, which shall reflect any secondary liens on the relevant property; (C) the terms of the mortgage; (D) the creditworthiness of the borrower; and (E) any other relevant data, as determined by the Director.”³⁸ The Safety and Soundness Act also requires that FHFA release the high-cost loan characteristics data to the public.³⁹ However, the Safety and Soundness Act does not define the term “high-cost loan,” nor does any legislative history state the intent of this provision. After considering various options, FHFA decided to define “high-cost loan” in this context as a loan with a HMDA-reported “rate spread” that is 150 basis points or more above the Average Prime Offer Rate (APOR).⁴⁰ In other contexts, FHFA refers to loans exceeding this rate-spread threshold as “higher-priced mortgage loans.”⁴¹ To ensure consistency, this Report uses the “higher-priced” terminology when referring to “high-cost loans.” In 2019, 3.9 percent of all single-family loans purchased by the Enterprises were higher-priced mortgage loans.

For Enterprise mortgage purchases in 2019, the tables in Appendix C show the number of higher-priced mortgage loans in securities compared to the number of higher-priced mortgage loans retained in portfolio at year-end by each Enterprise.⁴² The tables identify this information according to the following loan characteristics: purchase price, loan-to-value ratio, product type, term at origination,

³⁸ See 12 U.S.C. § 4544(b)(6).

³⁹ See 12 U.S.C. § 4546(d)(2).

⁴⁰ See 76 Fed. Reg. 60031 (Sept. 28, 2011) (defining “high-cost loan” for purposes of 12 U.S.C. §§ 4544(b)(6) and 4546(d)(2)).

⁴¹ CFPB has defined “higher-priced mortgage loan” in the same way for most mortgages, although the CFPB definition sets higher rate spread cut-offs for jumbo mortgages (250 basis points or more above the APOR) and for subordinate lien mortgages (350 basis points or more above the APOR). See 12 CFR § 1026.35(a). In amending the Truth in Lending Act, the Home Ownership and Equity Protection Act (HOEPA), 15 U.S.C. § 1602(bb), established a separate category of loans designated as “high-cost mortgages.” Mortgages on primary residences that exceed the applicable mortgage interest rate and total point and fee thresholds established under HOEPA are not eligible for sale to the Enterprises.

⁴² Loans identified as “retained in the portfolio” are generally loans that the Enterprises hold as assets in their mortgage portfolios. Examples of these loans would be loans that are not eligible for securitization, defaulted loans purchased out of mortgage-backed securities, and loans that the Enterprises purchase directly either to hold in portfolio and/or to aggregate for securitization at a future date. Loans identified as “not held in the portfolio” are generally loans that the Enterprises have pooled into mortgage-backed securities and sold to investors.



interest rate at origination, credit score, borrower income ratio, tract income ratio, census tract demographics, purpose of the loan, and federal guarantee status.⁴³

⁴³ These loan characteristics are further described in FHFA's September 28, 2011, Notice of Order. *See* 76 Fed. Reg. 60031.



Public Access to Mortgage Information

The Safety and Soundness Act requires FHFA to make available to the public loan-level data submitted by the Enterprises on the loans they purchase, except for certain proprietary information and borrower privacy information.⁴⁴ The Safety and Soundness Act also requires FHFA to make available to the public loan data elements reported under HMDA at the census tract level for loans purchased by the Enterprises. In addition, the Safety and Soundness Act requires FHFA to make available to the public certain high-cost securitized loan data collected by the Enterprises to compare the characteristics of high-cost loans the Enterprises purchase and securitize.⁴⁵ The Safety and Soundness Act requires FHFA to release the above-referenced data by September 30 of the year following the year the Enterprises acquired the mortgages. On September 23, 2019, FHFA posted on its website an interim release of data for 2018 through its Public Use Database (PUDB), pending an update based on receipt of additional data fields that reflect new 2018 reporting requirements under HMDA.⁴⁶ The updated 2018 PUDB and the 2019 PUDB were posted on September 21, 2020, after the additional data was received from the Enterprises.⁴⁷

⁴⁴ See 12 U.S.C. §§ 4543, 4546.

⁴⁵ See 12 U.S.C. §§ 4544(b)(6), 4546(d). See also Appendix C for the analysis of the higher-priced securitized loan data for 2015.

⁴⁶ See 85 Fed. Reg. 34196 (June 3, 2020).

⁴⁷ See <http://www.fhfa.gov/DataTools/Downloads/Pages/Public-Use-Databases.aspx>.



Appendix A: Final Determination Letters: Enterprise 2019 Housing Goals Performance

October 16, 2020

Mr. Hugh R. Frater Chief
 Executive Officer
 Federal National Mortgage Association
 1100 15th Street, NW
 Washington, DC 20005

Re: Final Determination of Fannie Mae’s 2019 Housing Goals Performance

Dear Mr. Frater:

The Federal Housing Finance Agency (FHFA) has completed its review of Fannie Mae’s performance under the Enterprise housing goals for 2019 pursuant to 12 USC 4566. FHFA has determined that for 2019, Fannie Mae met all the single-family goals and subgoals. FHFA has also determined that Fannie Mae met all the multifamily housing goals and subgoals for 2019.

As specified in 12 CFR 1282.12, the single-family housing goals include both a benchmark level and a market level determined by FHFA based on its analysis of Home Mortgage Disclosure Act (HMDA) data for the year. Fannie Mae meets a single-family housing goal if its official performance meets or exceeds either the benchmark level or the market level. FHFA’s final determinations of Fannie Mae’s official performance on the single-family housing goals for 2019

are set forth below:

Single-Family Housing Goals	Benchmark– 2019	Market Share – 2019	FHFA Final Determination of Fannie Mae’s 2019 Performance
Low-Income Home Purchase Goal	24%	26.6%	27.8%
Very Low-Income Home Purchase Goal	6%	6.6%	6.5%
Low-Income Areas Home Purchase Goal ¹	19%	22.9%	24.5%

¹The preliminary determination letter sent on August 20, 2020 incorrectly listed the low-income areas home purchase goal benchmark at 18 percent. The correct benchmark was 19 percent. The error does not impact the 2019 determination.



Single-Family Housing Goals	Benchmark– 2019	Market Share – 2019	FHFA Final Determination of Fannie Mae’s 2019 Performance
Low-Income Areas Home Purchase Subgoal	14%	18.1%	19.5%
Low-Income Refinance Goal	21%	24.0%	23.8%

For each housing goal, the percentage shown above reflects the proportion of mortgages that met the criteria for that goal. The home purchase goals are based on Fannie Mae’s acquisitions of purchase money mortgages, while the refinance goal is based on Fannie Mae’s acquisitions of refinance mortgages.

Unlike the single-family housing goals, the multifamily housing goals are based solely on benchmark levels established in advance by FHFA pursuant to 12 CFR 1282.13. FHFA’s final determinations of Fannie Mae’s official performance on the multifamily housing goals for 2019 are set forth below:

Multifamily Housing Goals	Benchmark – 2019	FHFA Final Determination of Fannie Mae’s 2019 Performance
Low-Income Multifamily Goal	315,000	385,763
Very Low-Income Multifamily Subgoal	60,000	79,649
Small Multifamily (5-50 unit) Low-Income Subgoal	10,000	17,832

Based on the above information, FHFA has determined that Fannie Mae achieved each of the single-family and multifamily housing goals for 2019.

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

Sincerely,



Mark A. Calabria



October 16, 2020

Mr. David Brickman
 Chief Executive Officer
 Federal Home Loan Mortgage Corporation
 8200 Jones Branch Drive
 McLean, VA 22103-3107

Re: Final Determination of Freddie Mac’s 2019 Housing Goals Performance

Dear Mr. Brickman:

The Federal Housing Finance Agency (FHFA) has completed its review of Freddie Mac’s performance under the Enterprise housing goals for 2019 pursuant to 12 USC 4566. FHFA has determined that for 2019, Freddie Mac met all the single-family goals and subgoals. FHFA has also determined that Freddie Mac met all the multifamily housing goals and subgoals for 2019.

As specified in 12 CFR 1282.12, the single-family housing goals include both a benchmark level and a market level determined by FHFA based on its analysis of Home Mortgage Disclosure Act (HMDA) data for the year. Freddie Mac meets a single-family housing goal if its official performance meets or exceeds either the benchmark level or the market level. FHFA’s final determinations of Freddie Mac’s official performance on the single-family housing goals for 2019 are set forth below:

Single-Family Housing Goals	Benchmark – 2019	Market Share– 2019	FHFA Final Determination of Freddie Mac’s 2019 Performance
Low-Income Home Purchase Goal	24%	26.6%	27.4%
Very Low-Income Home Purchase Goal	6%	6.6%	6.8%
Low-Income Areas Home Purchase Goal ¹	19%	22.9%	22.9%

¹The preliminary determination letter sent on August 20, 2020 incorrectly listed the low-income areas home purchase goal benchmark at 18 percent. The correct benchmark was 19 percent. The error does not impact the 2019 determination.



Single-Family Housing Goals	Benchmark – 2019	Market Share– 2019	FHFA Final Determination of Freddie Mac’s 2019 Performance
Low-Income Areas Home Purchase Subgoal	14%	18.1%	18.0%
Low-Income Refinance Goal	21%	24.0%	22.4%

For each housing goal, the percentage shown above reflects the proportion of mortgages that met the criteria for that goal. The home purchase goals are based on Freddie Mac’s acquisitions of purchase money mortgages, while the refinance goal is based on Freddie Mac’s acquisitions of refinance mortgages.

Unlike the single-family housing goals, the multifamily housing goals are based solely on benchmark levels established in advance by FHFA pursuant to 12 CFR 1282.13. FHFA’s final determinations of Freddie Mac’s official performance on the multifamily housing goals for 2019 are set forth below:

Multifamily Housing Goals	Benchmark – 2019	FHFA Final Determination of Freddie Mac’s 2019 Performance
Low-Income Multifamily Goal	315,000	455,451
Very Low-Income Multifamily Subgoal	60,000	112,773
Small Multifamily (5-50 unit) Low-Income Subgoal	10,000	34,847

Based on the above information, FHFA has determined that Freddie Mac achieved each of the single-family and multifamily housing goals for 2019.

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

Sincerely,



Mark A. Calabria



Appendix B: Enterprise Purchases of Subprime and Nontraditional Loans

I. Overview of Single-Family Mortgages Acquired by the Enterprises

Excluding second liens and reverse mortgages, Fannie Mae and Freddie Mac acquired \$1.1 trillion of single-family loans in 2019 (see **Tables B1a** and **B1b**), an increase of 39.44 percent from the \$756.0 billion in single-family loans the Enterprises acquired in 2018. These totals include loans that collateralize mortgage-backed securities guaranteed by either Enterprise and loans purchased for cash. While **Tables 1** through **9** report on only owner-occupied single-family purchases, this Appendix reports on both owner-occupied and investor-owned single-family purchases.

Fully amortizing mortgages comprised 100 percent of the single-family loans acquired by the Enterprises in 2019, per conservatorship guidance. Fully amortizing fixed-rate mortgages accounted for 99.03 percent of combined acquisitions, an increase from 98.47 percent in 2018 (see **Tables B1a** and **B1b**). Fully amortizing hybrid adjustable-rate mortgages accounted for 0.90 percent of 2019 acquisitions, a decrease from 1.49 percent in 2018. The Enterprises did not acquire any interest-only mortgages in 2019, as was the case in 2018.

Table B1a. Single-Family Mortgages Acquired by Fannie Mae and Freddie Mac in 2018 and 2019 by Payment and Product Type (\$ in millions)⁴⁸

Product Type	2018				2019			
	Fully Amortizing	Interest Only	Negatively Amortizing	Total	Fully Amortizing	Interest Only	Negatively Amortizing	Total
Fixed-Rate Mortgages	\$744,389.4	\$0.0	\$0.0	\$744,389.4	\$1,043,821.5	\$0.0	\$0.0	\$1,043,821.5
ARMS–Traditional	\$42.3	\$0.0	\$0.0	\$42.3	\$43.1	\$0.0	\$0.0	\$43.1
ARMS-Hybrid	\$11,238.8	\$0.0	\$0.0	\$11,238.8	\$9,510.1	\$0.0	\$0.0	\$9,510.1
Balloon Mortgages	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0

⁴⁸ Includes mortgages purchased for cash and financed with guaranteed mortgage-backed securities. Excludes second liens and reverse mortgages.



Other Mortgages ⁴⁹	\$281.2	\$0.0	\$0.0	\$281.2	\$688.2	\$0.0	\$0.0	\$688.2
Total	\$755,951.7	\$0.0	\$0.0	\$755,951.7	\$1,054,062.9	\$0.0	\$0.0	\$1,054,062.9

Table B1b. Shares of Single-Family Mortgages Acquired by Fannie Mae and Freddie Mac in 2018 and 2019 by Payment and Product Type (Percent)⁵⁰

Product Type	2018				2019			
	Fully Amortizing	Interest Only	Negatively Amortizing	Total	Fully Amortizing	Interest Only	Negatively Amortizing	Total
Fixed-Rate Mortgages	98.47%	0.00%	0.00%	98.47%	99.03%	0.00%	0.00%	99.03%
ARMS—Traditional	0.01%	0.00%	0.00%	0.01%	0.00%	0.00%	0.00%	0.00%
ARMS-Hybrid	1.49%	0.00%	0.00%	1.49%	0.90%	0.00%	0.00%	0.90%
Balloon Mortgages	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Other Mortgages	0.04%	0.00%	0.00%	0.04%	0.07%	0.00%	0.00%	0.07%
Total	100.00%	0.00%	0.00%	100.00%	100.00%	0.00%	0.00%	100.00%

Source: Federal Housing Finance Agency based on information from Fannie Mae and Freddie Mac.

II. Acquisitions of Mortgages by Payment Type and Loan-to-Value Ratio

The distribution of the loan-to-value ratios of single-family mortgages acquired by Fannie Mae and Freddie Mac in 2019 showed some changes from 2018 (see **Tables B2a** and **B2b**). The combined share of loans with loan-to-value ratios above 95 percent decreased from 6.32 percent in 2018 to 5.15 percent in 2019. Mortgages with loan-to-value ratios of 80 percent or below increased from 64.65 percent of loans acquired in 2018 to 67.01 percent of loans acquired in 2019.

⁴⁹ Other and unidentified product types. Includes Fixed-Rate Other and Other ARM. Fixed-Rate Other is fixed-rate mortgages with a term other than 40, 30, 20, or 15 years. Other ARM refers to a structure other than 3/1, 5/1, 7/1, 10/1.

⁵⁰ Includes mortgages purchased for cash and financed with guaranteed mortgage-backed securities. Excludes second liens and reverse mortgages.



Table B2a. Single-Family Mortgages Acquired by Fannie Mae and Freddie Mac in 2018 and 2019 by Payment Type and Loan-to-Value Ratio Group (\$ in millions)⁵¹

Loan-to-Value Ratio Group	2018				2019			
	Fully Amortizing	Interest Only	Negatively Amortizing	Total	Fully Amortizing	Interest Only	Negatively Amortizing	Total
0-70 %	\$200,434.6	\$0.0	\$0.0	\$200,434.6	\$301,941.9	\$0.0	\$0.0	\$301,941.9
70.1-80 %	\$288,333.1	\$0.0	\$0.0	\$288,333.1	\$404,339.5	\$0.0	\$0.0	\$404,339.5
80.1-90 %	\$99,485.8	\$0.0	\$0.0	\$99,485.8	\$143,200.6	\$0.0	\$0.0	\$143,200.6
90.1-95 %	\$119,947.7	\$0.0	\$0.0	\$119,947.7	\$150,301.0	\$0.0	\$0.0	\$150,301.0
95.1-100 %	\$47,252.2	\$0.0	\$0.0	\$47,252.2	\$54,127.2	\$0.0	\$0.0	\$54,127.2
>100%	\$516.3	\$0.0	\$0.0	\$516.3	\$153.0	\$0.0	\$0.0	\$153.0
Total	\$755,969.7	\$0.0	\$0.0	\$755,969.7	\$1,054,063.2	\$0.0	\$0.0	\$1,054,063.2

¹ Includes mortgages purchased for cash and financed with guaranteed mortgage-backed securities. Excludes second liens and reverse mortgages.

Table B2b. Shares of Single-Family Mortgages Acquired by Fannie Mae and Freddie Mac in 2018 and 2019 by Payment Type and Loan-to-Value Ratio Group (Percent)⁵²

Loan-to-Value Ratio Group	2018				2019			
	Fully Amortizing	Interest Only	Negatively Amortizing	Total	Fully Amortizing	Interest Only	Negatively Amortizing	Total
0-70 %	26.51%	0.00%	0.00%	26.51%	28.65%	0.00%	0.00%	28.65%
70.1-80 %	38.14%	0.00%	0.00%	38.14%	38.36%	0.00%	0.00%	38.36%
80.1-90 %	13.16%	0.00%	0.00%	13.16%	13.59%	0.00%	0.00%	13.59%
90.1-95 %	15.87%	0.00%	0.00%	15.87%	14.26%	0.00%	0.00%	14.26%
95.1-100 %	6.25%	0.00%	0.00%	6.25%	5.14%	0.00%	0.00%	5.14%
>100%	0.07%	0.00%	0.00%	0.07%	0.01%	0.00%	0.00%	0.01%
Total	100.00%	0.00%	0.00%	100.00%	100.00%	0.00%	0.00%	100.00%

III. Acquisitions of Nontraditional Mortgages

⁵¹ Includes mortgages purchased for cash and financed with guaranteed mortgage-backed securities. Excludes second liens and reverse mortgages.

⁵² Includes mortgages purchased for cash and financed with guaranteed mortgage-backed securities. Excludes second liens and reverse mortgages.



The Enterprises acquired no interest-only fixed-rate mortgages in 2019 or 2018. The Enterprises acquired no interest-only hybrid adjustable-rate mortgages in 2019 or 2018. Neither Enterprise acquired any negative amortization mortgages in 2019 or 2018.

IV. Acquisitions of Mortgages with Lower Credit Scores

There was some change in the distribution of the FICO credit scores of single-family mortgages acquired by Fannie Mae and Freddie Mac in 2019 (see **Tables B3a** and **B3b**). The share of loans with credit scores below 620 decreased from 0.30 percent in 2018 to 0.14 percent in 2019. Mortgages with credit scores between 620 and 659 decreased from 4.97 percent of loans acquired in 2018 to 3.28 percent of loans acquired in 2019.

Table B3a: Single-Family Mortgages Acquired by Fannie Mae and Freddie Mac in 2018 and 2019 by Payment Type and FICO Score Group (\$ in millions)⁵³

FICO Score Group	2018				2019			
	Fully Amortizing	Interest Only	Negatively Amortizing	Total	Fully Amortizing	Interest Only	Negatively Amortizing	Total
0-619	\$2,272.7	\$0.0	\$0.0	\$2,272.7	\$1,464.6	\$0.0	\$0.0	\$1,464.6
620-659	\$37,514.6	\$0.0	\$0.0	\$37,514.6	\$34,570.7	\$0.0	\$0.0	\$34,570.7
660-719	\$181,721.2	\$0.0	\$0.0	\$181,721.2	\$217,602.1	\$0.0	\$0.0	\$217,602.1
720-749	\$145,757.4	\$0.0	\$0.0	\$145,757.4	\$204,053.8	\$0.0	\$0.0	\$204,053.8
750+	\$388,245.0	\$0.0	\$0.0	\$388,245.0	\$595,816.5	\$0.0	\$0.0	\$595,816.5
Total	\$755,510.9	\$0.0	\$0.0	\$755,510.9	\$1,053,507.7	\$0.0	\$0.0	\$1,053,507.7

Table B3b: Shares of Single-Family Mortgages Acquired by Fannie Mae and Freddie Mac and 2018 and 2019 by Payment Type and FICO Score Group (Percent)⁵⁴

FICO Score Group	2018				2019			
	Fully Amortizing	Interest Only	Negatively Amortizing	Total	Fully Amortizing	Interest Only	Negatively Amortizing	Total
0-619	0.30%	0.00%	0.00%	0.30%	0.14%	0.00%	0.00%	0.14%
620-659	4.97%	0.00%	0.00%	4.97%	3.28%	0.00%	0.00%	3.28%
660-719	24.05%	0.00%	0.00%	24.05%	20.66%	0.00%	0.00%	20.66%

⁵³ Includes mortgages purchased for cash and financed with guaranteed mortgage-backed securities. Excludes second liens and reverse mortgages. Totals in this table do not equal the totals in Table B1a because some loans acquired by the Enterprises do not have FICO Score Group information.

⁵⁴ Percentages may be zero due to rounding.



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720-749	19.29%	0.00%	0.00%	19.29%	19.37%	0.00%	0.00%	19.37%
750+	51.39%	0.00%	0.00%	51.39%	56.56%	0.00%	0.00%	56.56%
Total	100.00%	0.00%	0.00%	100.00%	100.00%	0.00%	0.00%	100.00%

Source: Federal Housing Finance Agency based on information from Fannie Mae and Freddie Mac



Appendix C: Higher-Priced Mortgage Loans

As discussed in the Higher-Priced Mortgage Loans section of this Report, because the Safety and Soundness Act does not define the term “high-cost loan,” FHFA determined that it would define “high-cost loan” by whether its HMDA-reported rate spread is 150 basis points or more above the Average Prime Offer Rate (APOR). In other contexts, FHFA refers to such loans as “higher-priced mortgage loans.”

In 2019, 3.9 percent of all single-family loans purchased by the Enterprises were higher-priced mortgage loans. The tables below show the number of higher-priced mortgage loans purchased and securitized by an Enterprise in 2019 that were not held by each Enterprise at year-end, compared to the number of higher-priced mortgage loans purchased and securitized by an Enterprise in 2019 that were retained in portfolio at year-end by each Enterprise.

The Safety and Soundness Act requires FHFA to compare the characteristics of high-cost loans purchased and securitized by each Enterprise “where such securities are not held on portfolio to loans purchased and securitized, where such securities are either retained on portfolio or repurchased by the [E]nterprise.” The comparisons should include “such characteristics as— (A) the purchase price of the property that secures the mortgage; (B) the loan-to-value ratio of the mortgage, which shall reflect any secondary liens on the relevant property; (C) the terms of the mortgage; (D) the creditworthiness of the borrower; and (E) any other relevant data, as determined by the Director.”⁴⁹ Terms of a mortgage include product type, whether a fixed-rate mortgage (FRM) or an adjustable-rate mortgage (ARM), term (or length) of the mortgage at origination, amortization term, and interest rate at origination. Other relevant data included for comparative analysis are borrower income ratio, census tract income ratio, 2010 census tract/percent minority, purpose of loan, and whether the loan has a federal guarantee.

⁴⁹ See 12 U.S.C. § 4544(b)(6).



I. Purchase Price

Table C1 below shows the comparison based on purchase price for the higher-priced mortgage loans that were purchased and securitized by an Enterprise in 2019.

Table C1: Purchase Price (2019)

Purchase Price	Fannie Mae						Freddie Mac					
	In Portfolio at Year-End?				Totals		In Portfolio at Year-End?				Totals	
	Not Held		Retained				Not Held		Retained			
	Loans	Percent	Loans	Percent	Loans	Percent	Loans	Percent	Loans	Percent	Loans	Percent
<= \$417,000	76,417	88.8	5,840	72.3	82,257	87.4	38,465	90.6	10,947	96.3	49,412	91.8
> \$417,000, <= \$625,500	7,059	8.2	1,692	20.9	8,751	9.3	3,041	7.2	298	2.6	3,339	6.2
> \$625,500, <= \$729,750	1,132	1.3	264	3.3	1,396	1.5	388	0.9	43	0.4	431	0.8
> \$729,750	1,430	1.7	286	3.5	1,716	1.8	556	1.3	74	0.7	630	1.2
Totals	86,038	100.0	8,082	100.0	94,120	100.0	42,450	100.0	11,362	100.0	53,812	100.0

II. Combined Loan-to-Value Ratio

Table C2 below shows the comparison based on the combined loan-to-value ratio of the mortgages, including secondary liens, for the higher-priced mortgage loans that were purchased and securitized by an Enterprise in 2019.

Table C2: Combined LTV (or LTV if missing) (2019)

Combined LTV (or LTV if missing)	Fannie Mae						Freddie Mac					
	In Portfolio at Year-End?				Totals		In Portfolio at Year-End?				Totals	
	Not Held		Retained				Not Held		Retained			
	Loans	Percent	Loans	Percent	Loans	Percent	Loans	Percent	Loans	Percent	Loans	Percent
0% < LTV <= 60%	8,811	10.2	535	6.6	9,346	9.9	4,765	11.2	1,280	11.3	6,045	11.2
60% < LTV <= 80%	35,430	41.2	4,020	49.7	39,450	41.9	22,395	52.8	6,907	60.8	29,302	54.5
80% < LTV <= 90%	8,280	9.6	1,276	15.8	9,556	10.2	4,500	10.6	1,160	10.2	5,660	10.5
90% < LTV <= 95%	14,255	16.6	1,665	20.6	15,920	16.9	6,389	15.1	1,438	12.7	7,827	14.5
LTV > 95%	19,262	22.4	586	7.3	19,848	21.1	4,379	10.3	576	5.1	4,955	9.2
Missing	0	0.0	0	0.0	0	0.0	22	0.1	1	0.0	23	0.0
Totals	86,038	100.0	8,082	100.0	94,120	100.0	42,450	100.0	11,362	100.0	53,812	100.0



Table C2a below shows the distribution based on combined loan-to-value ratio for the higher-priced fixed-rate mortgage loans that were purchased and securitized by an Enterprise in 2019.

Table C2a: Combined LTV (or LTV if missing) of Fixed-Rate Mortgages (2019)

Combined LTV (or LTV if missing)	Fannie Mae						Freddie Mac					
	In Portfolio at Year-End?				Totals		In Portfolio at Year-End?				Totals	
	Not Held		Retained				Not Held		Retained			
	Loans	Percent	Loans	Percent	Loans	Percent	Loans	Percent	Loans	Percent	Loans	Percent
0% < LTV <= 60%	8,785	10.2	535	6.6	9,320	9.9	4,752	11.2	1,257	11.2	6,009	11.2
60% < LTV <= 80%	35,380	41.2	4,020	49.7	39,400	41.9	22,367	52.7	6,822	60.7	29,189	54.4
80% < LTV <= 90%	8,274	9.6	1,276	15.8	9,550	10.2	4,496	10.6	1,151	10.2	5,647	10.5
90% < LTV <= 95%	14,255	16.6	1,665	20.6	15,920	16.9	6,388	15.1	1,435	12.8	7,823	14.6
LTV > 95%	19,262	22.4	586	7.3	19,848	21.1	4,379	10.3	576	5.1	4,955	9.2
Missing	0	0.0	0	0.0	0	0.0	22	0.1	1	0.0	23	0.0
Totals	85,956	100.0	8,082	100.0	94,038	100.0	42,404	100.0	11,242	100.0	53,646	100.0

III. Product Type

Table C3 below shows the comparison based on product type for the higher-priced mortgage loans that were purchased and securitized by an Enterprise in 2019.

Table C3: Product Type (2019)

Product Type	Fannie Mae						Freddie Mac					
	In Portfolio at Year-End?				Totals		In Portfolio at Year-End?				Totals	
	Not Held		Retained				Not Held		Retained			
	Loans	Percent	Loans	Percent	Loans	Percent	Loans	Percent	Loans	Percent	Loans	Percent
FRM	85,956	99.9	8,082	100.0	94,038	99.9	42,404	99.9	11,242	98.9	53,646	99.7
ARM	82	0.1	0	0.0	82	0.1	46	0.1	120	1.1	166	0.3
Totals	86,038	100.0	8,082	100.0	94,120	100.0	42,450	100.0	11,362	100.0	53,812	100.0



IV. Term at Origination

Tables C4 and C4a below show the comparison based on term at origination for the higher-priced mortgage loans that were purchased and securitized by an Enterprise in 2019.

Table C4: Term at Origination (2019)

Term at Origination	Fannie Mae						Freddie Mac					
	In Portfolio at Year-End?				Totals		In Portfolio at Year-End?				Totals	
	Not Held		Retained				Not Held		Retained			
	Loans	Percent	Loans	Percent	Loans	Percent	Loans	Percent	Loans	Percent	Loans	Percent
30 Years	73,149	85.0	7,541	93.3	80,690	85.7	36,411	85.8	9,066	79.8	45,477	84.5
15 Years	7,408	8.6	210	2.6	7,618	8.1	4,713	11.1	1,047	9.2	5,760	10.7
All Others	5,481	6.4	331	4.1	5,812	6.2	1,326	3.1	1,249	11.0	2,575	4.8
Totals	86,038	100.0	8,082	100.0	94,120	100.0	42,450	100.0	11,362	100.0	53,812	100.0

Table C4a: Term at Origination (2019)

Term at Origination	Fannie Mae						Freddie Mac					
	In Portfolio at Year-End?				Totals		In Portfolio at Year-End?				Totals	
	Not Held		Retained				Not Held		Retained			
	Loans	Percent	Loans	Percent	Loans	Percent	Loans	Percent	Loans	Percent	Loans	Percent
30 Years	73,149	85.0	7,541	93.3	80,690	85.7	36,411	85.8	9,066	79.8	45,477	84.5
15 Years	7,408	8.6	210	2.6	7,618	8.1	4,713	11.1	1,047	9.2	5,760	10.7
All Others	5,481	6.4	331	4.1	5,812	6.2	1,326	3.1	1,249	11.0	2,575	4.8
Totals	86,038	100.0	8,082	100.0	94,120	100.0	42,450	100.0	11,362	100.0	53,812	100.0



V. Interest Rate at Origination

Tables C5 and C5a below show the comparison based on the interest rate at origination for the higher-priced mortgage loans and higher-priced fixed-rate mortgage loans, respectively, that were purchased and securitized by an Enterprise in 2019.

Table C5: Interest Rate at Origination (2019)

Interest Rate at Origination	Fannie Mae						Freddie Mac					
	In Portfolio at Year-End?				Totals		In Portfolio at Year-End?				Totals	
	Not Held		Retained				Not Held		Retained			
	Loans	Percent	Loans	Percent	Loans	Percent	Loans	Percent	Loans	Percent	Loans	Percent
< 4.0%	4,234	4.9	657	8.1	4,891	5.2	197	0.5	80	0.7	277	0.5
>= 4.0%, < 4.5%	9,308	10.8	902	11.2	10,210	10.8	2,727	6.4	1,414	12.4	4,141	7.7
>= 4.5%, < 5.0%	15,010	17.4	2,390	29.6	17,400	18.5	6,684	15.7	2,343	20.6	9,027	16.8
>= 5.0%, < 5.5%	22,170	25.8	2,918	36.1	25,088	26.7	12,619	29.7	3,879	34.1	16,498	30.7
>= 5.5%, < 6.0%	25,190	29.3	1,108	13.7	26,298	27.9	15,996	37.7	3,121	27.5	19,117	35.5
>= 6.0%, < 6.5%	8,422	9.8	103	1.3	8,525	9.1	3,413	8.0	409	3.6	3,822	7.1
>= 6.5%, < 7.0%	1,704	2.0	4	0.0	1,708	1.8	814	1.9	116	1.0	930	1.7
>= 7.0%, < 7.5%	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0
>= 7.5%, < 8.0%	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0
>= 8.0%	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0
Totals	86,038	100.0	8,082	100.0	94,120	100.0	42,450	100.0	11,362	100.0	53,812	100.0



Table C5a: Interest Rate at Origination of Fixed-Rate Mortgages (2019)

Interest Rate at Origination	Fannie Mae						Freddie Mac					
	In Portfolio at Year-End?						In Portfolio at Year-End?					
	Not Held		Retained		Totals		Not Held		Retained		Totals	
	Loans	Percent	Loans	Percent	Loans	Percent	Loans	Percent	Loans	Percent	Loans	Percent
< 4.0%	4,231	4.9	657	8.1	4,888	5.2	197	0.5	78	0.7	275	0.5
>= 4.0%, < 4.5%	9,295	10.8	902	11.2	10,197	10.8	2,720	6.4	1,392	12.4	4,112	7.7
>= 4.5%, < 5.0%	14,972	17.4	2,390	29.6	17,362	18.5	6,668	15.7	2,290	20.4	8,958	16.7
>= 5.0%, < 5.5%	22,162	25.8	2,918	36.1	25,080	26.7	12,610	29.7	3,858	34.3	16,468	30.7
>= 5.5%, < 6.0%	25,175	29.3	1,108	13.7	26,283	27.9	15,990	37.7	3,100	27.6	19,090	35.6
>= 6.0%, < 6.5%	8,420	9.8	103	1.3	8,523	9.1	3,409	8.0	409	3.6	3,818	7.1
>= 6.5%, < 7.0%	1,701	2.0	4	0.0	1,705	1.8	810	1.9	115	1.0	925	1.7
>= 7.0%, < 7.5%	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0
>= 7.5%, < 8.0%	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0
>= 8.0%	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0
Totals	85,956	100.0	8,082	100.0	94,038	100.0	42,404	100.0	11,242	100.0	53,646	100.0

VI. Credit Score

Tables C6 and C6a below show the comparison based on credit score for the higher-priced mortgage loans and higher-priced fixed-rate mortgage loans, respectively, that were purchased and securitized by an Enterprise in 2019.⁵¹

Table C6: Credit Score (2019)

Credit Score	Fannie Mae						Freddie Mac					
	In Portfolio at Year-End?						In Portfolio at Year-End?					
	Not Held		Retained		Totals		Not Held		Retained		Totals	
	Loans	Percent	Loans	Percent	Loans	Percent	Loans	Percent	Loans	Percent	Loans	Percent
Less than 620	30	0.0	0	0.0	30	0.0	741	1.7	183	1.6	924	1.7
620 - < 660	17,709	20.6	1,641	20.3	19,350	20.6	7,334	17.3	1,691	14.9	9,025	16.8
660 - < 700	25,178	29.3	2,667	33.0	27,845	29.6	11,835	27.9	2,921	25.7	14,756	27.4
700 - < 760	25,811	30.0	2,277	28.2	28,088	29.8	13,309	31.4	3,546	31.2	16,855	31.3
760 or Greater	17,174	20.0	1,491	18.4	18,665	19.8	9,165	21.6	2,990	26.3	12,155	22.6
Missing/Bad	136	0.2	6	0.1	142	0.2	66	0.2	31	0.3	97	0.2
Totals	86,038	100.0	8,082	100.0	94,120	100.0	42,450	100.0	11,362	100.0	53,812	100.0

⁵¹ Credit scores referred to in these tables are Classic FICO scores.



Table C6a: Credit Score of Fixed-Rate Mortgages (2019)

Credit Score	Fannie Mae						Freddie Mac					
	In Portfolio at Year-End?				Totals		In Portfolio at Year-End?				Totals	
	Not Held		Retained				Not Held		Retained			
	Loans	Percent	Loans	Percent	Loans	Percent	Loans	Percent	Loans	Percent	Loans	Percent
Less than 620	29	0.0	0	0.0	29	0.0	740	1.7	183	1.6	923	1.7
620 - < 660	17,700	20.6	1,641	20.3	19,341	20.6	7,328	17.3	1,684	15.0	9,012	16.8
660 - < 700	25,163	29.3	2,667	33.0	27,830	29.6	11,824	27.9	2,889	25.7	14,713	27.4
700 - < 760	25,781	30.0	2,277	28.2	28,058	29.8	13,292	31.3	3,499	31.1	16,791	31.3
760 or Greater	17,147	19.9	1,491	18.4	18,638	19.8	9,154	21.6	2,956	26.3	12,110	22.6
Missing/Bad	136	0.2	6	0.1	142	0.2	66	0.2	31	0.3	97	0.2
Totals	85,956	100.0	8,082	100.0	94,038	100.0	42,404	100.0	11,242	100.0	53,646	100.0

VII. Borrower Income Ratio

Table C7 below shows the comparison based on borrower income relative to AMI for the higher-priced mortgage loans that were purchased and securitized by an Enterprise in 2019.

Table C7: Borrower Income Ratio (2019)

Borrower Income Ratio	Fannie Mae						Freddie Mac					
	In Portfolio at Year-End?				Totals		In Portfolio at Year-End?				Totals	
	Not Held		Retained				Not Held		Retained			
	Loans	Percent	Loans	Percent	Loans	Percent	Loans	Percent	Loans	Percent	Loans	Percent
>= 0%, <= 50%	9,479	11.0	406	5.0	9,885	10.5	4,673	11.0	1,446	12.7	6,119	11.4
> 50%, <= 80%	25,022	29.1	1,338	16.6	26,360	28.0	13,316	31.4	4,247	37.4	17,563	32.6
> 80%	50,808	59.1	6,291	77.8	57,099	60.7	23,170	54.6	5,139	45.2	28,309	52.6
Not Applicable	729	0.8	47	0.6	776	0.8	1,291	3.0	530	4.7	1,821	3.4
Totals	86,038	100.0	8,082	100.0	94,120	100.0	42,450	100.0	11,362	100.0	53,812	100.0



VIII. Tract Income Ratio

Table C8 below shows the comparison based on the tract income ratio, which is the ratio of the 2010 census tract median income to the 2010 local AMI, for the higher-priced mortgage loans that were purchased and securitized by an Enterprise in 2019.

Table C8: Tract Income Ratio (2019)

Tract Income Ratio	Fannie Mae						Freddie Mac					
	In Portfolio at Year-End?				Totals		In Portfolio at Year-End?				Totals	
	Not Held		Retained				Not Held		Retained			
	Loans	Percent	Loans	Percent	Loans	Percent	Loans	Percent	Loans	Percent	Loans	Percent
<= 80%	24,813	28.8	1,714	21.2	26,527	28.2	13,242	31.2	4,076	35.9	17,318	32.2
> 80%, <= 120%	40,295	46.8	3,499	43.3	43,794	46.5	19,629	46.2	5,310	46.7	24,939	46.3
> 120%	20,835	24.2	2,850	35.3	23,685	25.2	9,516	22.4	1,966	17.3	11,482	21.3
Missing	95	0.1	19	0.2	114	0.1	63	0.1	10	0.1	73	0.1
Totals	86,038	100.0	8,082	100.0	94,120	100.0	42,450	100.0	11,362	100.0	53,812	100.0

IX. 2010 Census Tract/Percent Minority

Table C9 below shows the comparison based on the composition of minority population in a census tract where the property securing a loan is located, for the higher-priced mortgage loans that were purchased and securitized by an Enterprise in 2019.

Table C9: Percent Minority in Census Tract (2019)

Percent Minority in Census Tract	Fannie Mae						Freddie Mac					
	In Portfolio at Year-End?				Totals		In Portfolio at Year-End?				Totals	
	Not Held		Retained				Not Held		Retained			
	Loans	Percent	Loans	Percent	Loans	Percent	Loans	Percent	Loans	Percent	Loans	Percent
0% - < 10%	15,526	18.0	1,335	16.5	16,861	17.9	8,117	19.1	2,288	20.1	10,405	19.3
10% - < 30%	28,810	33.5	2,835	35.1	31,645	33.6	14,161	33.4	3,692	32.5	17,853	33.2
30% - 100%	41,678	48.4	3,896	48.2	45,574	48.4	20,152	47.5	5,381	47.4	25,533	47.4
Missing	24	0.0	16	0.2	40	0.0	20	0.0	1	0.0	21	0.0
Totals	86,038	100.0	8,082	100.0	94,120	100.0	42,450	100.0	11,362	100.0	53,812	100.0



X. Purpose of Loan

Table C10 below shows the comparison based on the purpose of the loan, whether for home purchase, refinancing of an existing loan, or other, for the higher-priced mortgage loans that were purchased and securitized by an Enterprise in 2019.

Table C10: Loan Purpose (2019)

Loan Purpose	Fannie Mae						Freddie Mac					
	In Portfolio at Year-End?				Totals		In Portfolio at Year-End?				Totals	
	Not Held		Retained				Not Held		Retained			
	Loans	Percent	Loans	Percent	Loans	Percent	Loans	Percent	Loans	Percent	Loans	Percent
Purchase	54,888	63.8	4,624	57.2	59,512	63.2	23,738	55.9	6,420	56.5	30,158	56.0
Refinance/Other	31,150	36.2	3,458	42.8	34,608	36.8	18,712	44.1	4,942	43.5	23,654	44.0
Totals	86,038	100.0	8,082	100.0	94,120	100.0	42,450	100.0	11,362	100.0	53,812	100.0

XI. Federal Guarantee

Table C11 below shows the comparison based on whether the loan is federally guaranteed or insured, for example by FHA, VA, or RHS, for the higher-priced mortgage loans that were purchased and securitized by an Enterprise in 2019.

Table C11: Federal Guarantee

Federal Guarantee	Fannie Mae						Freddie Mac					
	In Portfolio at Year-End?				Totals		In Portfolio at Year-End?				Totals	
	Not Held		Retained				Not Held		Retained			
	Loans	Percent	Loans	Percent	Loans	Percent	Loans	Percent	Loans	Percent	Loans	Percent
No	86,035	100.0	8,082	100.0	94,117	100.0	42,396	99.9	11,288	99.3	53,684	99.8
Yes	3	0.0	0	0.0	3	0.0	54	0.1	74	0.7	128	0.2
Totals	86,038	100.0	8,082	100.0	94,120	100.0	42,450	100.0	11,362	100.0	53,812	100.0



Appendix D: National Mortgage Database

The tables in this Appendix D rely on the core National Mortgage Database (the “NMDB[®]”) to provide information on new fixed-rate, fully-amortizing, residential mortgages originated in 2019 on owner-occupied, site-built properties. The core NMDB is a five percent representative sample of single-family, first lien mortgages in the United States.⁵²

The tables present separate statistics for all purchase-money mortgages, conventional purchase-money mortgages, conforming-sized conventional purchase-money mortgages, conforming-sized conventional purchase-money mortgages with terms of 30 years, Enterprise purchase-money mortgages, non-Enterprise conventional, conforming-sized purchase-money mortgages and all purchase-money and refinance mortgages. Conventional mortgages are mortgages not insured or guaranteed by the government. Conforming-sized loans are loans with amounts that are at or below the applicable conforming loan limits. Enterprise mortgages are loans purchased by Fannie Mae or Freddie Mac.

In these tables, loan to value (LTV) ratios are as of the origination date. Credit scores in these tables are based on the first borrower’s VantageScore[®] 3.0 credit score.

Table D1a below shows the average property value, loan amount, term to maturity, and contract interest rates. The table has separate sections for all purchase-money mortgages, all conventional purchase-money mortgages, and all conforming-sized conventional purchase-money mortgages with term of 30 years.

Table D1b below shows the average loan-to-value (LTV) ratio, average combined LTV ratio, and percentage of mortgage in each of the four LTV classes. The table has separate sections for all purchase-money mortgages, all conventional purchase-money mortgages, and all conforming-sized conventional purchase-money mortgages with term of 30 years.

Table D1c below shows the average credit score, share of mortgages with credit score below 600, and the Enterprise share of conforming-sized mortgages. The table has separate sections for all purchase-money mortgages, all conventional purchase-money mortgages, and all conforming-

⁵² The NMDB Technical Documentation is available at:
<https://www.fhfa.gov/PolicyProgramsResearch/Programs/Documents/NMDB-Technical-Documentation-20200310.pdf>



sized conventional purchase-money mortgages with term of 30 years.

Table D2a below shows the average property value, loan amount, term to maturity, and contract interest rates. The table has separate sections for all conforming-sized conventional purchase-money mortgages, Enterprise purchase-money mortgages, and non-Enterprise conforming-sized conventional purchase-money mortgages.

Table D2b below shows the average loan-to-value (LTV) ratio, average combined LTV ratio, and percentage of mortgage in each of the four LTV classes. The table has separate sections for all conforming-sized conventional purchase-money mortgages, Enterprise purchase-money mortgages, and non-Enterprise conforming-sized conventional purchase-money mortgages.

Table D2c below shows the average credit score, share of mortgages with credit score below 600, the Enterprise share of conforming-sized mortgages, and the refinance share of mortgages. The table has separate sections for all conforming-sized conventional purchase-money mortgages, Enterprise purchase-money mortgages, and non-Enterprise conforming-sized conventional purchase-money mortgages.

Table D3a below shows the average property value, loan amount, term to maturity, contract interest rates for all purchase-money and refinance mortgages.

Table D3b below shows the average loan-to-value (LTV) ratio, average combined LTV ratio, and percentage of mortgage in each of the four LTV classes for all purchase-money and refinance mortgages.

Table D3c below shows the average credit score, share of mortgages with credit score below 600, and the refinance share of mortgages for all purchase-money and refinance mortgages.



**Table D1a: Property Value, Loan Amount, Term to Maturity, and Contract Interest Rate
2019 Fixed-Rate Purchase-Money Mortgages on Owner-Occupied, Site-Built Properties**

Origination Month	Average Property Value (in \$1,000)	Average Loan Amount (in \$1,000)	Average Term to Maturity (in years)	Average Contract Interest Rate (%)
<i>All Purchase-Money Mortgages</i>				
January	302.3	248.2	28.1	4.9
February	301.4	250.2	28.4	4.7
March	307.3	254.7	28.3	4.7
April	310.9	256.4	28.2	4.5
May	317.5	263.1	28.3	4.4
June	321.8	266.2	28.3	4.3
July	318.2	262.6	28.3	4.1
August	317.2	260.9	28.2	4.0
September	317.3	261.1	28.2	3.9
October	321.0	264.0	28.3	4.0
November	320.5	263.4	28.2	4.0
December	329.3	270.5	28.2	4.0
<i>All Conventional Purchase-Money Mortgages</i>				
January	329.7	256.9	27.3	4.9
February	335.9	264.0	27.6	4.7
March	344.1	269.4	27.5	4.6
April	346.3	270.2	27.4	4.5
May	352.0	276.6	27.5	4.4
June	356.2	279.7	27.5	4.3
July	351.1	273.8	27.4	4.1
August	349.1	271.5	27.3	4.1
September	352.3	273.6	27.3	3.9
October	360.3	279.6	27.5	4.0
November	357.8	277.6	27.3	4.1
December	368.1	284.3	27.3	4.1
<i>All Conventional, Conforming-Sized Purchase-Money Mortgages with Term of 30 Years</i>				
January	310.7	250.3	30.0	4.9
February	321.0	257.9	30.0	4.7
March	322.7	260.0	30.0	4.7
April	326.7	262.4	30.0	4.5
May	326.6	263.1	30.0	4.4
June	330.1	266.1	30.0	4.3
July	331.3	265.2	30.0	4.1
August	330.0	264.2	30.0	4.1
September	331.7	264.6	30.0	3.9
October	334.9	266.7	30.0	4.0
November	337.5	268.2	30.0	4.1
December	344.0	272.5	30.0	4.1



Table D1b: Loan-to-Value and Combined Loan-to-Value
2019 Fixed-Rate Purchase-Money Mortgages on Owner-Occupied, Site-Built Properties

Origination Month	Average Loan-to-Value Ratio (%)	Average Combined Loan-to-Value Ratio (%)	Percent of Loans by Loan-to-Value Ratio Class			
			Loan-to-Value Percentage			
			70.0 or Less	70.1 to 80	80.1 to 90	Over 90
<i>All Purchase-Money Mortgages</i>						
January	84.2	84.4	15.8	20.7	12.6	50.9
February	85.4	85.6	13.8	20.6	12.5	53.1
March	85.3	85.5	13.5	20.8	12.6	53.1
April	84.8	85.0	15.0	20.3	12.6	52.1
May	85.1	85.3	14.4	19.8	13.0	52.8
June	84.8	85.0	14.8	20.3	12.9	52.0
July	84.6	84.9	15.0	20.6	12.9	51.5
August	84.5	84.6	15.0	20.8	13.0	51.3
September	84.4	84.7	15.8	20.1	12.2	51.9
October	84.6	84.9	14.9	21.0	12.9	51.2
November	84.3	84.5	15.6	20.8	12.6	51.0
December	84.5	84.7	15.5	20.1	12.8	51.6
<i>All Conventional Purchase-Money Mortgages</i>						
January	79.2	79.5	21.8	28.8	15.1	34.2
February	80.0	80.3	19.9	30.0	16.0	34.1
March	79.9	80.1	19.7	30.6	15.9	33.7
April	79.3	79.6	21.6	29.2	15.8	33.4
May	79.9	80.2	20.5	28.2	16.5	34.7
June	79.6	79.8	21.0	28.9	16.1	34.0
July	79.2	79.5	21.6	29.4	16.4	32.7
August	79.1	79.3	21.4	29.8	16.0	32.9
September	78.8	79.0	22.9	29.1	15.1	32.9
October	79.0	79.2	21.7	30.6	16.1	31.6
November	78.5	78.8	22.6	30.0	16.0	31.3
December	78.5	78.8	22.9	29.5	16.4	31.2
<i>All Conventional, Conforming-Sized Purchase-Money Mortgages with Term of 30 Years</i>						
January	83.1	83.4	14.6	29.0	16.3	40.0
February	83.1	83.4	14.3	29.7	16.5	39.5
March	83.3	83.5	13.6	30.1	16.7	39.6
April	83.2	83.5	14.3	29.4	17.0	39.3
May	83.5	83.7	14.0	27.9	17.5	40.6
June	83.3	83.5	14.2	28.4	17.2	40.1
July	82.8	83.1	14.8	29.3	17.8	38.0
August	82.9	83.1	14.3	29.6	17.2	38.9
September	82.6	82.9	15.4	29.2	16.5	38.9
October	82.5	82.7	15.0	30.7	17.4	36.8
November	82.3	82.5	15.5	30.0	17.7	36.8
December	82.2	82.5	15.8	29.7	17.6	36.9



Table D1c: Credit Scores and Enterprise Shares
2019 Fixed-Rate Purchase-Money Mortgages on Owner-Occupied, Site-Built Properties

Origination Month	Average Credit Score	Share of Mortgages with Credit Score Below 600 (%)	Enterprise Share of Conforming-Sized Mortgages (%)
<i>All Purchase-Money Mortgages</i>			
January	731.7	3.4	NA
February	732.6	3.4	NA
March	729.0	4.8	NA
April	731.1	4.0	NA
May	733.7	3.5	NA
June	733.7	3.8	NA
July	733.3	3.6	NA
August	733.2	3.5	NA
September	730.6	4.3	NA
October	729.3	4.7	NA
November	726.5	5.2	NA
December	721.6	6.8	NA
<i>All Conventional Purchase-Money Mortgages</i>			
January	749.0	1.9	NA
February	753.6	1.6	NA
March	751.5	2.1	NA
April	751.8	2.2	NA
May	753.3	1.8	NA
June	753.7	1.7	NA
July	752.4	1.9	NA
August	752.2	1.8	NA
September	751.0	2.3	NA
October	751.0	2.1	NA
November	747.6	2.8	NA
December	744.6	2.9	NA
<i>All Conventional, Conforming-Sized Purchase-Money Mortgages with Term of 30</i>			
January	751.0	0.7	82.9
February	755.8	0.6	85.2
March	753.4	1.0	85.1
April	754.2	1.0	82.9
May	755.0	0.8	83.2
June	755.3	0.8	83.5
July	755.2	0.8	83.1
August	754.6	0.8	83.1
September	754.1	0.9	82.1
October	753.5	0.9	84.2
November	751.1	1.3	83.4
December	747.6	1.4	82.9



Table D2a: Property Value, Loan Amount, Term to Maturity, and Contract Interest Rate
2019 Fixed-Rate Conforming Purchase-Money Mortgages on Owner-Occupied, Site-Built Properties

Origination Month	Average Property Value (in \$1,000)	Average Loan Amount (in \$1,000)	Average Term to Maturity (in years)	Average Contract Interest Rate (%)
<i>All Conventional, Conforming-Sized Purchase-Money Mortgages</i>				
January	292.8	230.1	27.2	4.9
February	304.8	240.6	27.6	4.7
March	307.2	241.8	27.4	4.6
April	307.2	240.9	27.3	4.5
May	309.0	243.7	27.5	4.4
June	312.4	246.2	27.4	4.3
July	312.3	244.8	27.4	4.1
August	311.1	243.0	27.2	4.1
September	311.0	242.1	27.2	3.9
October	316.5	246.7	27.4	4.0
November	316.4	246.1	27.2	4.1
December	322.3	249.9	27.2	4.1
<i>Enterprise Purchase-Money Mortgages</i>				
January	308.7	245.8	29.0	4.9
February	317.3	254.2	29.1	4.7
March	317.9	254.6	28.9	4.6
April	324.8	259.6	29.0	4.4
May	323.7	258.7	29.0	4.4
June	326.2	261.4	29.0	4.3
July	331.0	263.5	28.9	4.1
August	328.3	261.0	28.9	4.0
September	329.7	261.9	28.9	3.9
October	333.1	263.6	29.0	3.9
November	336.5	265.9	28.9	4.0
December	341.2	268.9	28.8	4.0
<i>Non-Enterprise, Conventional, Conforming-Sized Purchase-Money Mortgages</i>				
January	245.8	183.6	21.9	5.0
February	259.7	191.4	22.4	4.9
March	268.3	195.3	22.2	4.8
April	255.7	186.2	22.1	4.6
May	262.6	196.3	22.6	4.5
June	268.9	197.8	22.6	4.4
July	253.6	186.2	22.4	4.3
August	258.8	188.3	22.1	4.3
September	256.7	184.8	22.4	4.2
October	261.3	190.3	22.1	4.2
November	253.2	184.1	21.9	4.3
December	268.7	195.2	22.3	4.3



Table D2b: Loan-to-Value and Combined Loan-to-Value
2019 Fixed-Rate Conforming Purchase-Money Mortgages on Owner-Occupied, Site-Built Properties

Origination Month	Average Loan-to-Value Ratio (%)	Average Combined Loan-to-Value Ratio (%)	Percent of Loans by Loan-to-Value Ratio Class			
			Loan-to-Value Percentage			
			70.0 or Less	70.1 to 80	80.1 to 90	Over 90
<i>All Conventional, Conforming-Sized Purchase-Money Mortgages</i>						
January	79.3	79.5	21.9	27.9	15.1	35.1
February	80.1	80.3	20.0	29.2	15.7	35.1
March	79.9	80.1	20.0	29.5	15.7	34.8
April	79.4	79.6	21.8	28.1	15.6	34.5
May	79.9	80.2	20.7	27.2	16.3	35.8
June	79.6	79.9	21.2	27.7	15.8	35.3
July	79.2	79.5	21.6	28.5	16.3	33.7
August	79.1	79.3	21.5	28.9	15.8	33.8
September	78.7	79.0	23.2	28.1	14.9	33.8
October	79.0	79.2	21.8	29.6	16.0	32.6
November	78.5	78.8	22.8	29.0	16.0	32.2
December	78.5	78.8	23.2	28.6	16.2	32.1
<i>Enterprise Purchase-Money Mortgages</i>						
January	82.3	82.6	16.0	28.8	15.8	39.4
February	82.7	82.9	14.7	30.0	16.2	39.1
March	82.7	83.0	14.4	30.3	16.2	39.1
April	82.9	83.1	14.6	29.8	16.5	39.2
May	82.8	83.1	14.9	28.1	17.1	39.9
June	82.7	82.9	15.2	28.7	16.3	39.8
July	82.4	82.6	15.4	29.4	17.7	37.5
August	82.3	82.5	15.1	30.1	16.7	38.1
September	82.1	82.4	15.8	29.9	16.1	38.2
October	81.8	82.0	15.9	31.0	16.9	36.1
November	81.7	81.9	16.1	30.8	17.1	36.0
December	81.5	81.7	17.2	29.7	16.9	36.1
<i>Non-Enterprise, Conventional, Conforming-Sized Purchase-Money Mortgages</i>						
January	70.1	70.5	39.5	25.2	13.1	22.2
February	70.7	71.0	39.0	26.1	14.0	21.0
March	69.7	69.9	40.1	26.5	13.7	19.8
April	69.1	69.3	43.0	23.2	13.1	20.7
May	70.9	71.2	39.1	24.2	13.7	22.9
June	69.9	70.3	40.0	24.7	14.3	20.9
July	69.4	69.8	41.3	25.4	11.8	21.5
August	69.3	69.5	40.7	25.3	12.9	21.1
September	69.0	69.3	44.5	22.8	11.5	21.2
October	69.7	70.0	41.4	24.6	13.1	20.9
November	68.8	69.1	43.8	23.1	12.6	20.5
December	69.3	69.7	41.4	24.7	14.1	19.8



Table D2c: Credit Scores and Enterprise Shares
2019 Fixed-Rate Conforming Purchase-Money Mortgages on Owner-Occupied, Site-Built Properties

Origination Month	Average Credit Score	Share of Mortgages with Credit Score Below 600 (%)	Enterprise Share of Conforming-Sized Mortgages (%)
<i>All Conventional, Conforming-Sized Purchase-Money Mortgages</i>			
January	747.7	2.0	75.0
February	752.7	1.6	78.2
March	750.3	2.2	78.3
April	750.5	2.2	74.5
May	751.8	1.9	75.9
June	752.2	1.8	76.0
July	751.3	2.0	75.9
August	751.1	1.9	75.2
September	750.0	2.4	74.3
October	749.7	2.2	76.8
November	746.3	2.9	75.8
December	743.4	3.1	75.5
<i>Enterprise Purchase-Money Mortgages</i>			
January	753.5	0.6	NA
February	757.6	0.4	NA
March	756.0	0.7	NA
April	756.8	0.8	NA
May	757.3	0.6	NA
June	757.9	0.5	NA
July	757.8	0.5	NA
August	757.7	0.4	NA
September	756.6	0.6	NA
October	755.5	0.6	NA
November	753.3	1.0	NA
December	750.6	1.1	NA
<i>Non-Enterprise, Conventional, Conforming-Sized Purchase-Money Mortgages</i>			
January	730.1	6.2	NA
February	734.8	6.1	NA
March	729.9	7.7	NA
April	731.9	6.6	NA
May	734.2	6.0	NA
June	734.1	6.0	NA
July	730.9	6.8	NA
August	731.0	6.3	NA
September	730.7	7.3	NA
October	730.4	7.7	NA
November	724.3	9.0	NA
December	720.9	9.2	NA



**Table D3a: Property Value, Loan Amount, Term to Maturity, and Contract Interest Rate
2019 Fixed-Rate Mortgages on Owner-Occupied, Site-Built Properties**

Origination Month	Average Property Value (in \$1,000)	Average Loan Amount (in \$1,000)	Average Term to Maturity (in years)	Average Contract Interest Rate (%)
<i>All Purchase-Money and Refinance Mortgages</i>				
January	329.0	246.6	27.2	4.9
February	329.9	251.4	27.5	4.7
March	335.7	256.8	27.5	4.6
April	343.1	262.3	27.4	4.5
May	348.8	268.7	27.5	4.4
June	353.2	271.8	27.5	4.3
July	363.3	276.5	27.5	4.1
August	363.8	274.3	27.3	4.0
September	379.4	280.5	27.2	3.9
October	382.1	278.5	27.0	3.9
November	374.9	273.5	26.8	4.0
December	381.2	278.0	27.1	4.0

**Table D3b: Loan-to-Value and Combined Loan-to-Value
2019 Fixed-Rate Mortgages on Owner-Occupied, Site-Built Properties**

Origination Month	Average Loan-to-Value Ratio (%)	Average Combined Loan-to-Value Ratio (%)	Percent of Loans by Loan-to-Value Ratio Class			
			Loan-to-Value Percentage			
			70.0 or Less	70.1 to 80	80.1 to 90	Over 90
<i>All Purchase-Money and Refinance Mortgages</i>						
January	78.4	78.6	26.9	23.4	13.1	36.5
February	79.7	79.9	24.6	24.0	13.2	38.1
March	80.1	80.3	23.5	23.9	13.2	39.4
April	79.8	80.0	24.7	23.6	13.9	37.9
May	80.2	80.4	23.6	23.5	14.0	38.8
June	80.1	80.3	23.6	24.0	13.8	38.6
July	79.5	79.7	25.0	24.7	14.3	36.1
August	79.0	79.1	26.0	25.2	14.2	34.6
September	77.9	78.1	28.6	25.8	14.2	31.5
October	77.1	77.3	29.7	26.9	13.6	29.8
November	76.8	77.0	30.3	26.4	13.1	30.1
December	77.2	77.4	30.2	25.7	12.8	31.3



Table D3c: Credit Scores and Refinance Shares
2019 Fixed-Rate Mortgages on Owner-Occupied, Site-Built Properties

Origination Month	Average Credit Score	Share of Mortgages with Credit Score Below 600 (%)	Refinance Share of Mortgages (%)
<i>All Purchase-Money and Refinance Mortgages</i>			
January	726.2	4.2	37.6
February	729.0	3.9	37.2
March	727.8	4.7	34.6
April	729.8	4.1	38.0
May	731.6	3.9	36.6
June	732.1	4.0	37.0
July	733.1	3.6	44.0
August	733.3	3.5	48.0
September	735.4	3.4	55.4
October	734.2	3.7	57.6
November	729.3	4.7	57.3
December	725.3	5.4	55.0

