Fannie Mae FUNDINGNOTES®

For Fannie Mae's Investors and Dealers

U.S. Housing and Mortgage Market Outlook[1]

February 2009

This edition of FundingNotes is written by Fannie Mae's Economic and Mortgage Market Analysis (EMMA) group.

Fannie Mae was chartered by Congress to support liquidity and stability in the mortgage market, where existing mortgage loans are purchased and sold. Because the company operates within the U.S. residential mortgage market, Fannie Mae monitors the housing market to help determine how changes in this market can potentially affect our business lines.

Mortgage and Housing Market in 2008

Mortgage and housing market conditions worsened progressively and dramatically in 2008 and those looking for a turnaround in the housing market were sorely disappointed last year as the housing market decline that began in a few areas of the country intensified and broadened. We entered 2008 with mild economic growth (though we later ascertained that the current recession began at the end of 2007) and low unemployment at a rate of 4.9 percent, but with a storm brewing in the housing and finance markets. High housing inventory levels, slowing demand, increasing delinquencies and foreclosures were too much for the housing market and the overall economy to bear. Of course home prices plummeted, falling by over 18 percent for the year[2] and the scope of the problem spread to more areas of the country. Entering 2008, only 34 percent of Metropolitan Statistical Areas (MSAs) had declining home prices on a year-over-year basis, but by the end of the year, 70 percent of the MSAs had declining home prices[3].

Mortgage and Housing Markets in 2009[4]

Many of the adverse factors that affected the housing market in 2008 are still with us in 2009. We expect high inventory levels, low demand, and increasing default and foreclosure rates to continue to weigh on the housing market. New home construction is expected to decline again in 2009, with single-family housing starts falling by approximately 40 percent from the already low levels recorded in 2008. Home sales will also remain weak in 2009, with expected decline in total sales at roughly six percent for the year. Most of the decline is in the new home market, which we expect to show a decline of about 34 percent.

Actual results for the first month of the year confirm the gloomy outlook for the housing market. Housing starts for January came in at the lowest level ever recorded[5] (**see Figure 1**) and given the already mentioned adverse factors, it is difficult to envision a turn around in new home construction market any time soon. However, this is a positive for the health of the

[1] Opinions, analyses, estimates, forecasts and other views of Fannie Mae's Economics & Mortgage Market Analysis (EMMA) group included in these materials should not be construed as indicating Fannie Mae's business prospects or expected results, are based on a number of assumptions, and are subject to change without notice. Although the EMMA group bases its opinions, analyses, estimates, forecasts, and other views on information it considers reliable, it does not guarantee that the information provided in these materials is accurate, current, or suitable for any particular purpose. Changes in the assumptions or the information underlying these views could produce materially different results. The analyses, opinions, estimates, forecasts, and other views published by the EMMA group represent the views of that group as of the date indicated and do not necessarily represent the views of Fannie Mae or its management.

[2] According to the S&P/Case-Shiller National Home Price Index.

[3] This is according to the FHFA total transaction home price index calculated for 2007 Q4 and 2008 Q4.

[4] Opinions, analyses, estimates, forecasts and other views, including those of Fannie Mae's Economics and Mortgage Market Analysis (EMMA) group, relating to the mortgage and housing markets and the economy included in these Funding Notes should not be construed as indicating Fannie Mae's business prospects or expected results, are based on a number of assumptions, and are subject to change without notice. Actual events may be different, perhaps materially, from these expectations as a result of a number of factors, including the factors that Fannie Mae discusses as "Risk Factors" in its most recent Form 10-K filed with the SEC on February 26, 2009.

[5] Records have been kept by the Census Bureau since 1959.

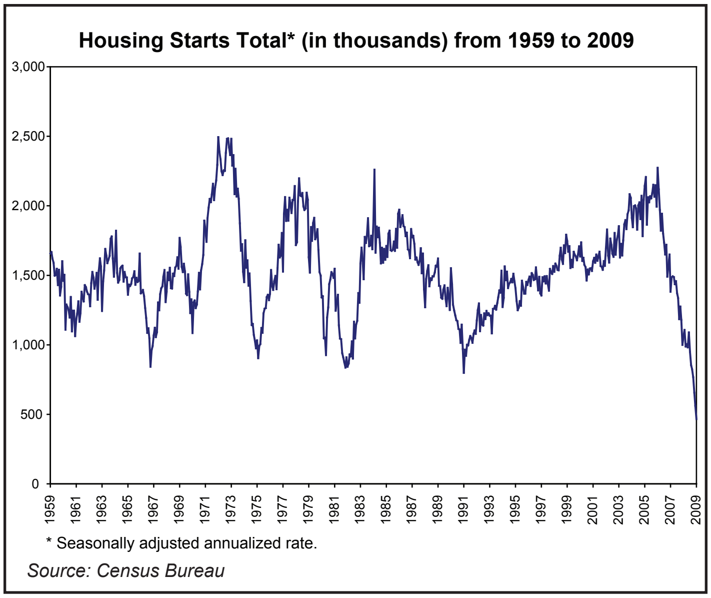


Figure 1

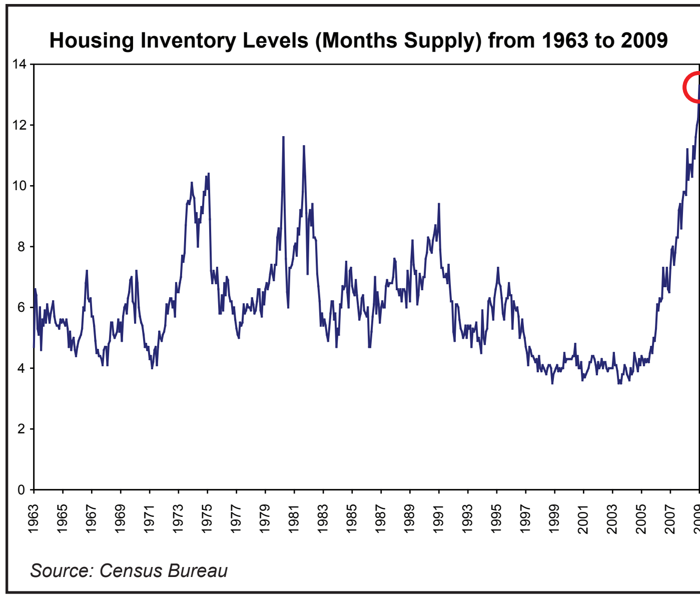


Figure 2

housing market. The decline and continued low level of housing starts will help restore the supply/demand imbalance, which is critical for the turnaround to occur.

Home Sales in 2009

New single-family home sales have followed the same path as single-family construction, and we expect that they will continue to fall at roughly the same rate as single-family housing starts this year. This continued slowdown in sales of new homes has caused the months supply of new homes on the market to remain high. In January, the number of new homes on the market fell to the lowest level since the middle of 2003. However, the months supply available at the current sales rate climbed to 13.3 months, which is the highest level recorded[6] (**see Figure 2**).

While they have also slowed, sales of existing homes are holding up better since sales of distressed properties are captured as existing home sales. In January, the National Association of Realtors estimated that distressed sales accounted for 45 percent of all existing home sales in that month. Foreclosures are also putting pressure on the supply of homes on the market, and adding to the supply at roughly the same pace as sales reduce it. At the end of January, there was a 9.6 month supply of existing homes on the market, down from the peak of 11.3 months in early 2008, but still a far cry from the four to seven months supply that most analysts believe is the equilibrium level of supply.

Credit conditions have not helped the housing market. According to the Federal Reserve Senior Loan Officer Survey, banks began tightening standards on residential mortgage as of the end of 2006, and increased tightening into this year. Tighter credit conditions can also be seen in the spreads between mortgage interest rates and Treasury rates. Interest rates on 30-year fixed-rate mortgages have historically ranged 1.5 to 1.75 percentage points above the 10-year treasury rate and recently stood at roughly 2.10 percentage points.

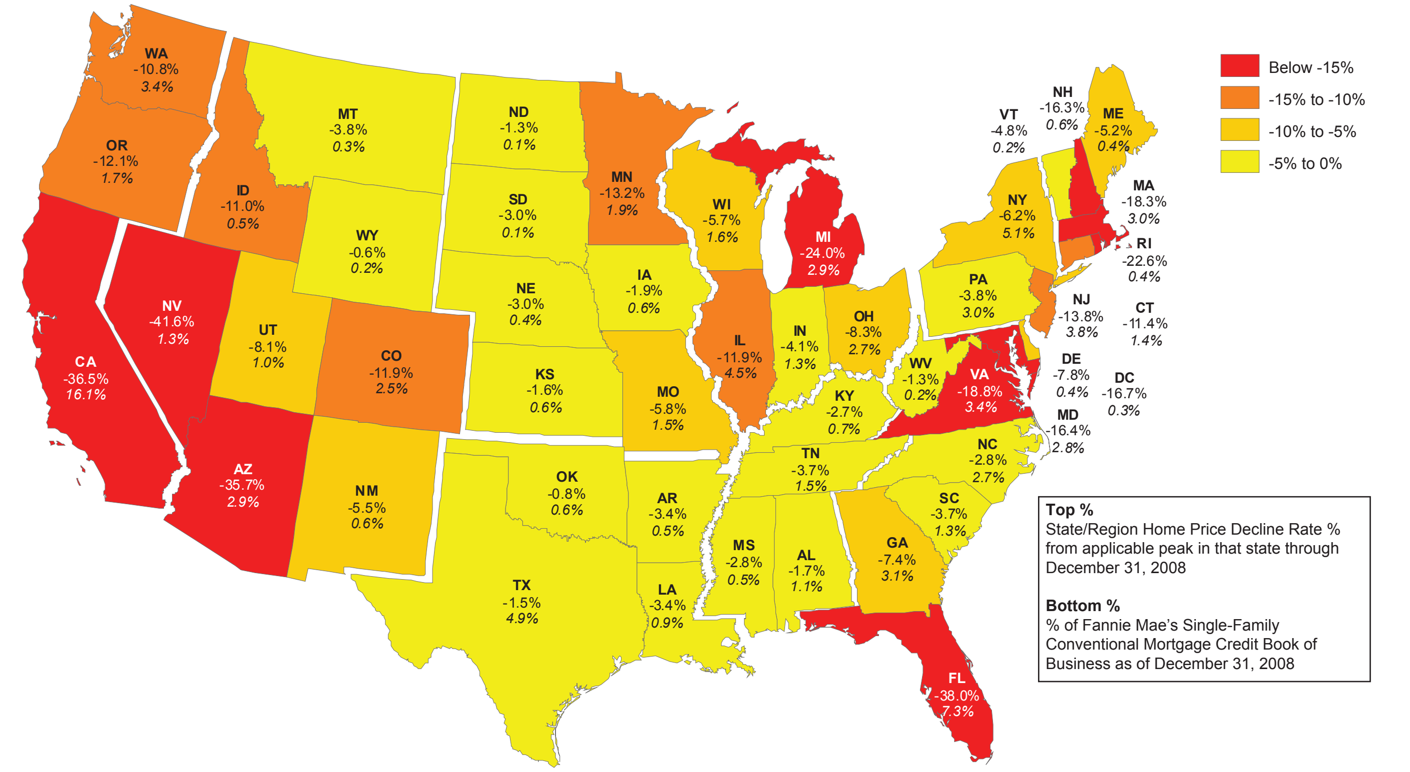
Home prices continue to fall due to the demand/supply imbalance, tight credit conditions and recession-related job loss. We expect that prices will continue to fall this year, with a Fannie Mae Home Price Index (HPI) decline in the range of 7 to 12 percent and 20 to 30 percent peak-to-trough. The projected decline in the Fannie Mae HPI is comparable to a 12 to 18 percent decline in the S&P/Case-Shiller HPI in 2009 and a 33 to 46 percent peak-to-trough decline. **Figure 3** displays the home price declines peak-to-current by state as of the 4th quarter of 2008.

The methodology of the Fannie Mae home price index differs from the S&P/Case-Shiller HPI, in two principal ways: 1) the Fannie Mae HPI estimate weights expectations for each property by number of properties, whereas the Case-Shiller index weights expectations for home prices base on property value, and 2) the Fannie Mae estimates do not include sales of foreclosed homes. These indices are shown in **Figure 4**.

Home price declines and low mortgage rates have had a positive effect on affordability. By the National Association of Realtors housing affordability index, affordability is now at the highest level since the index has been tracked since 1971, as shown in **Figure 5**.

[6] Records have been kept by the Census Bureau since 1963.

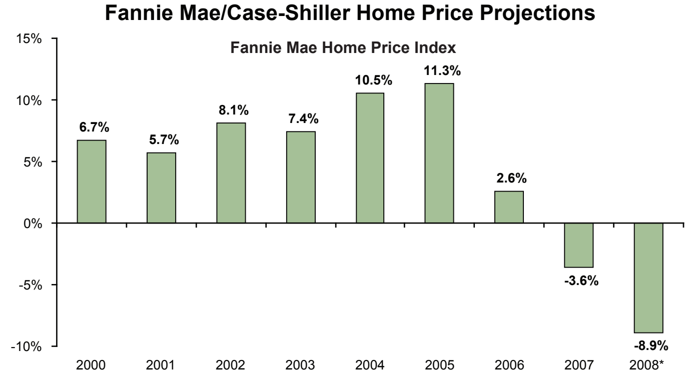
Home Price Declines of the Continental U.S. as of 2008 Q4



Source: Fannie Mae. Initial estimate based on purchase transactions in Fannie-Freddie acquisition and public deed data available through the end of December 2008, supplemented by preliminary data available for January and February 2009. Including subsequent data may lead to materially different results

Figure 3

Fannie Mae/Case-Shiller Home Price Projections



9.8%	7.7%	10.6%	10.7%	14.6%	14.7%	-0.3%	-8.7%	-18.2%

S&P/Case-Shiller Index

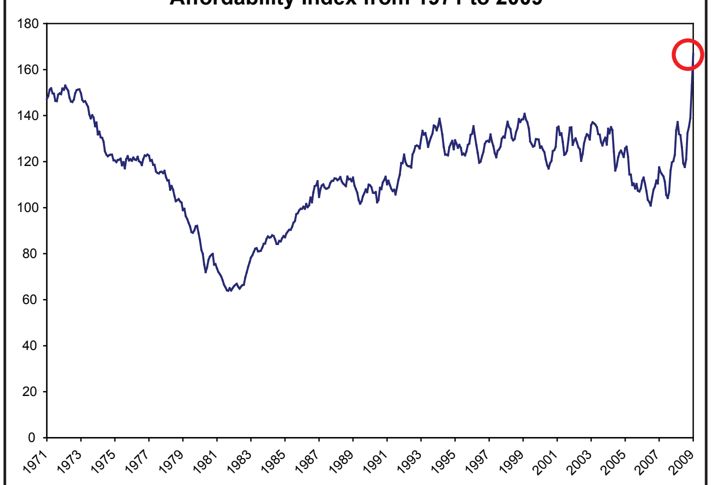
**Growth rates are from period-end to period-end.*

**Initial estimate based on purchase transactions in Fannie-Freddie acquisition and public deed data available through the end of December 2008, supplemented by preliminary data available for January and February 2009. Including subsequent data may lead to materially different results.*

**The S&P/Case-Shiller comparison numbers shown above are calculated using our models and assumptions, but modified to use two factors (weighting of expectations based on property value and the inclusion of foreclosed property sales). In addition to these differences, our estimates are based on our own internally available data combined with publicly available data, and are therefore based on data collected nationwide, whereas the S&P/Case-Shiller index is based only on publicly available data, which may be limited in certain geographies. Our comparative calculations to the S&P/Case-Shiller index provided above are not modified to account for this data pool difference.*

Figure 4

Affordability Index from 1971 to 2009



Source: National Association of Realtors

Figure 5

The index measures the ability of a family earning the median income to afford the median-priced home with 20 percent down payment and qualifying housing-to-income ratio of 25 percent. The index does not take into account credit conditions and economic conditions, such as job loss, which will have an adverse effect on demand.

Mortgage Originations in 2009

We expect total mortgage originations to increase in 2009, but there are two parts to this story. With the continued decline in the housing market, and our expectation that housing starts, sales, and prices will decrease in 2009, we expect purchase originations to decline by approximately 16 percent for all of 2009 to roughly $800 billion.

The large drop in long-term mortgage rates and its potential impact on refinance originations completes the mortgage originations story. Refinance originations, however, are expected to be high this year as mortgage interest rates are at low enough levels that a large share of currently outstanding mortgage debt has a rate incentive to refinance. As mortgage rates move around, this estimate moves around, but we estimate that this year will see a significant amount of refinancing. Of course there are other factors to consider that would bring the level of refinancing down, but these factors would be somewhat offset by recently announced government policies on mortgage refinancing. The increase in refinancing will not be accompanied by much equity withdrawal. We expect a small drop in the level of mortgage debt outstanding this year.

Impact of Housing Decline on Fannie Mae's Business[7]

For the year ended December 31, 2008, our conventional single-family business volume was comprised of 92% fixed-rate mortgage product and 8% adjustable-rate mortgage product, compared to 90% and 10% for the year ended December 31, 2007, respectively. We have also experienced a significant decline of Alt-A loan volumes in the composition of our new business for 2008 relative to 2007. The change in the composition of our new business, including the reduction in the proportion of higher risk, interest-only loans to more traditional, fully amortized fixed-rate mortgage loans, reflects an improvement in overall credit quality of our new business. Furthermore, we made changes in our underwriting and eligibility criteria to improve the credit risk quality of our acquisitions, which resulted in a shift in our risk profile of our new business in 2008. Despite improvements in the credit risk quality of our new business, we expect to continue to experience credit losses that are significantly higher than historical levels prior to 2007 due to the tremendous pressures on the housing market and the deepening economic downturn.

We expect that the current crisis in the U.S. and global financial markets will continue, which will continue to adversely affect our financial results throughout 2009. We expect the unemployment rate to continue to increase as the economic recession continues. We expect to continue to experience home price declines and rising default and severity rate, all of which may worsen as unemployment rates continue to increase and if the U.S. continues to experience a broad-based recession. We foresee mortgage debt outstanding to shrink by approximately 0.2 percent in 2009. Furthermore, we expect the level of foreclosures and single-family delinquency rates to increase further in 2009.

Conclusion

In this edition of *FundingNotes*, we examine Fannie Mae's Economic and Mortgage Market Analysis Group's projections for the housing and mortgage markets in 2009. Fannie Mae expects that housing prices will continue to decline in 2009, with a Fannie Mae HPI decline of 7 to 12 percent in 2009, and a peak-to-trough decline of 20 to 30 percent. The projected decline in the Fannie Mae HPI is comparable to a 12 to 18 percent decline in the Case Shiller HPI in 2009 and a 33 to 46 percent peak-to-trough decline. Fannie Mae's EMMA group projects that originations for home purchase are expected to remain weak in 2009, falling to the lowest level in about 10 years, as home sales and prices to continue to fall. Refinance originations, however, are expected to be high this year as mortgage interest rates are at low enough levels that a large share of currently outstanding mortgage debt has a rate incentive to refinance.

[7] This section is written by Fannie Mae's Fixed-Income Securities Marketing team.

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FundingNotes is published by Fannie Mae's Fixed-Income Securities Marketing Group

Douglas Duncan
Vice President and Chief Economist

Molly Boesel
Director, Economics

Gregorio T. Druehl, CFA
Director, Fixed-Income Securities Marketing
(202) 752-5659

Helen McNally
Sr. Product Manager
(202) 752-7704

Website: http://www.fanniemae.com
E-mail: fixedincome_marketing@fanniemae.com
Helpline: (888) BONDHLP

Fannie Mae Funding Liabilities and Debt Outstanding 2006 through January 31, 2009

Funding Liabilities and Debt Outstanding (in millions)	**12/31/06**	**12/31/07**	**12/31/08**	**1/31/09**
Federal Fund Borrowings	$ 700	$ -	$ -	$ -
Other Short Term Funding Liabilities[1]	-	869	77	77
Total Federal Funds Purchased and Securities Sold under Agreements to Repurchase	**$ 700**	**$ 869**	**$ 77**	**$ 77**
Average maturity (in days)	1	1	-	-
Discount Notes	$ 83,893	$ 155,358	$ 272,476	$ 277,565
Benchmark Bills	76,500	80,000	52,003	49,000
FX Discount Notes	1,917	859	402	472
Other Short Term Debt[2]	5,613	50	7,661	3,161
Total Short Term Debt[3]	**$ 167,923**	**$ 236,267**	**$ 332,542**	**$ 330,198**
Average maturity (in days)	81	74	102	111
Benchmark Notes & Bonds[4]	$ 2277,706	$ 256,823	$ 251,315	$ 250,840
Callable Benchmark Notes[4]	-	-	-	-
Subordinated Benchmark Notes	11,000	9,000	7,398	7,398
Callable Fixed Rate MTNs[5,6]	192,374	207,504	190,950	190,386
Noncallable Fixed Rate MTNs[5,6]	114,242	77,331	50,131	47,863
Callable Floating Rate MTNs[5,6]	831	8,135	1,530	1,030
Noncallable Floating Rate MTNs[5,6]	5,470	5,761	45,470	53,594
Other LongTerm Debt[7]	4,138	4,580	3,763	3,664
Total Long Term Debt[8,9]	**$ 605,761**	**$ 569,134**	**$ 550,557**	**$ 554,775**
Average maturity (in months)	57	68	66	65
Total Federal Funds Purchased and Securities Sold under Agreements to Repurchase and Debt Outstanding	**$ 774,384**	**$ 806,270**	**$ 883,176**	**$ 885,050**
Average maturity (in months)	45	48	42	42

Fannie Mae Funding Liabilities and Debt Issuance 2006 through January 31, 2009

Funding Liabilities and Debt Issuance (in millions)	**2006**	**2007**	**2008**	**2009**
Federal Fund Borrowings	$ 58,186	$ 13,065	$ 5,617	$ -
Other Short Term Funding Liabilities[1]	172,493	25,324	60,888	1,388
Total Federal Funds Purchased and Securities Sold under Agreements to Repurchase	**$ 230,679**	**$ 38,389**	**$ 66,505**	**$ 1,388**
Discount Notes	$ 1,833,688	$ 1,293,040	$ 1,361,959	$ 96,486
Benchmark Bills	196,500	206,500	185,503	8,497
FX Discount Notes	6,379	2,291	2,583	142
Other Short Term Debt[10]	4,863	86,777	8,661	-
Total Short Term Debt[3]	**$ 2,041,430**	**$ 1,588,608**	**$ 1,558,706**	**$ 105,125**
Benchmark Notes & Bonds	$ 42,000	$ 37,000	$ 50,500	$ 6,000
Callable Benchmark Notes	-	-	-	-
Subordinated Benchmark Notes	-	-	-	-
Callable Fixed Rate MTNs[6]	113,716	135,886	150,255	12,191
Noncallable Fixed Rate MTNs[6]	20,898	8,438	4,336	-
Callable Floating Rate MTNs[6]	2,700	8,275	1,280	-
Noncallable Floating Rate MTNs[6]	12,000	4,176	41,284	11,000
Other LongTerm Debt[11]	0	138	743	14
Total Long Term Debt[8]	**$ 181,314**	**$ 193,913**	**$ 248,399**	**$ 29,205**
Total Federal Funds Purchased and Securities Sold under Agreements to Repurchase and Debt Issued	**$ 2,453,423**	**$ 1,820,910**	**$ 1,873,610**	**$ 135,718**
Net Issuance Long Term Debt[12]	**$ 12,058**	**$ (39,201)**	**$ (18,363)**	**$ 4,275**

Please see the Endnotes on the following page for more detail.

Endnotes

Footnotes for Tables 1 and 2

[1] Other Short Term Funding Liabilities includes Benchmark repos, contingency repo lending, and other short term funding liabilities. For 2006, the Other Short Term Funding Liabilities amount of $172,493 million includes intra-days loans in the amount of $163,509 million.
[2] For 2007 and thereafter Other Short Term Debt consists of coupon bearing short term notes. For 2006 Other Short Term Debt consists of coupon bearing short term notes and investment agreements.
[3] Short term debt consists of borrowings with an original contractual maturity of one year or less.
[4] Outstanding Benchmark Notes & Bonds with expired call options are reported as Benchmark Notes & Bonds.
[5] Outstanding MTNs with expired call options are reported as Noncallable MTNs.
[6] MTNs include all long term non-Benchmark Securities such as globals, zero coupon securities, medium term notes, Final Maturity Amortizing Notes, and other long term debt securities.
[7] For 2007 and thereafter Other Long Term Debt consists of long term foreign currency debt, investment agreements, and other long term securities. For 2006 Other Long Term Debt consists of long term foreign currency debt and other long term securities.
[8] Long term debt consists of borrowings with an original contractual maturity of greater than one year.
[9] Unamortized discounts and issuance costs of long term zero coupon securities are approximately $11 billion at December 31, 2006, $10.8 billion at December 31, 2007, $14.8 billion at December 31, 2008 and $14.9 billion at January 31, 2009.
[10] For months beginning Oct 2007 and thereafter Other Short Term Debt includes coupon bearing short term notes. For 2006 and the first 9 months of 2007, Other Short Term Debt includes coupon bearing short term notes and investment agreements. For 2007, the Other Short Term Debt issuance amount of $86,777 million includes intra-days loans in the amount of $86,727 million.
[11] For months beginning Oct 2007 and thereafter Other Long Term Debt consists of long term foreign currency debt, investment agreements, and other long term securities. For 2006 Other Long Term Debt consists of long term foreign currency debt and other long term securities.
[12] Net Issuance Long Term Debt amounts represent the difference between long term debt issued and long term debt repaid during the period. For any period, a positive value indicates that the amount of long term debt issued was greater than the amount of long term debt repaid, and a negative value indicates that the amount of long term debt repaid was greater than the amount of long term debt issued.

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General

On November 9, 2007, we filed current financial statements in our Form 10-Q for the third quarter of 2007. As a result,beginning with the data for October 2007, we are implementing data reclassifications and other changes to betteralign the statistical information we present in our funding summary report with the financial information we report in our quarterly and annual filings with the SEC.

Previously reported amounts have been revised to conform to the current period presentation and to reflect the completion of Fannie Mae's 2005 audited financial statements.

Funding Liabilities and Debt include Federal Funds Purchased and Securities Sold under Agreements to Repurchase, Short Term Debt and Long Term Debt.

Reported amounts represent the unpaid principal balance at each reporting period or, in the case of the long term zero coupon bonds, at maturity. Unpaid principal balance does not reflect the effect of debt basis adjustments, including discounts, premiums, and issuance costs.

Numbers may not foot due to rounding.

Debt Securities Index Reports

	January % of BIG	January Total ROR	Last 3 mos Total ROR	Last 6 mos Total ROR	YTD Total ROR	Last 12 mos Total Return
Citigroup Fannie Mae Index:	2.80	-1.79	6.23	6.16	-1.79	5.71
1-10 Years	2.56	-1.00	5.48	5.85	-1.00	5.78
10+ Years	0.25	-9.24	14.09	9.16	-9.24	4.88
Callable	0.44	-1.40	2.50	2.60	-1.40	3.75
Noncallable	2.36	-1.86	6.70	6.61	-1.86	5.99
Globals	2.18	-1.69	6.17	6.29	-1.69	6.09
Agency:	7.72	-1.91	6.51	6.12	-1.91	5.67
Callable	0.66	-1.01	2.47	2.58	-1.01	3.67
Noncallable	7.06	-1.99	6.82	6.40	-1.99	5.80
Globals	5.70	-1.64	6.57	6.49	-1.64	6.31
Citigroup Index*:	100.00	-0.87	7.20	4.70	-0.87	4.06
U.S. Treasury	27.54	-3.05	5.68	7.56	-3.05	7.67
GSE**	8.79	-1.77	6.30	6.04	-1.77	5.64
Credit	23.44	0.23	11.38	-1.87	0.23	-3.92
MBS	39.91	0.16	6.17	6.87	0.16	6.68
ABS	0.32	5.46	9.61	-3.54	5.46	-3.85

	January % of Agg	January Total ROR	Last 3 mos Total ROR	Last 6 mos Total ROR	YTD Total ROR	Last 12 mos Total Return
Barclays Capital Fannie Mae Index:	3.10	-1.42	5.52	5.40	-1.42	5.41
1-10 Years	2.75	-0.71	4.88	5.28	-0.71	5.49
10+ Years	0.35	-6.70	10.59	6.26	-6.70	4.81
Callable	1.01	-0.49	3.18	3.39	-0.49	4.25
Noncallable	2.09	-1.87	6.63	6.36	-1.87	5.93
Globals	2.18	-1.68	6.06	6.14	-1.68	5.94
Agency:	9.69	-1.38	5.57	5.50	-1.38	5.58
Callable	2.14	-0.29	2.80	3.31	-0.29	4.24
Noncallable	7.55	-1.69	6.54	6.26	-1.69	5.99
Globals***	6.43	-1.46	6.21	6.28	-1.46	6.14
Barclays Aggregate Index:	100.00	-0.88	6.16	3.23	-0.88	2.59
U.S. Treasury	24.95	-2.92	5.70	7.56	-2.92	7.69
Government-Related**	13.61	-1.58	5.45	4.65	-1.58	4.55
Corporate	17.85	0.45	11.65	-2.97	0.45	-5.47
MBS	39.62	0.19	5.86	6.64	0.19	6.58
ABS	0.61	6.50	5.47	-4.48	6.50	-7.34
CMBS	3.37	-3.68	-7.74	-21.14	-3.68	-22.36

* Components of Broad (BIG) Index: Treasury, GSE, Corporate, Mortgage
** Includes US Agencies
*** Includes World Bank global issues

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Summary Breakdown of 2009 Debt Issuances

Includes all settled fixed-rate debt issues with maturities greater than one year. Variable rate debt is not included in totals.

Fannie Mae Fixed-Rate Callable Debt

Maturity/Call (Year)	*January 2009 Par Amount (in thousands)*	*# Issues*	*YTD 2009 Par Amount (in thousands)*	*# Issues*
1.50NC0.25	$ 1,435,000,000	8	1,435,000,000	8
2.00NC0.25	200,000,000	3	200,000,000	3
2.00NC0.50	115,000,000	2	115,000,000	2
2.00NC1.00	555,000,000	7	555,000,000	7
2.50NC0.25	95,000,000	2	95,000,000	2
2.50NC0.50	195,000,000	1	195,000,000	1
2.50NC1.00	95,000,000	3	95,000,000	3
3.00NC0.24	25,000,000	1	25,000,000	1
3.00NC0.25	450,000,000	3	450,000,000	3
3.00NC0.50	10,000,000	1	10,000,000	1
3.00NC1.00	50,000,000	2	50,000,000	2
3.00NC1.50	85,000,000	1	85,000,000	1
3.42NC1.41	15,000,000	1	15,000,000	1
3.50NC0.25	25,000,000	1	25,000,000	1
4.00NC1.00	100,000,000	1	100,000,000	1
4.58NC1.08	15,000,000	1	15,000,000	1
5.00NC0.25	705,000,000	10	705,000,000	10
5.00NC1.00	5,795,000,000	4	5,795,000,000	4
5.00NC2.00	720,000,000	5	720,000,000	5
5.00NC2.75	15,000,000	1	15,000,000	1
5.50NC0.25	10,000,000	1	10,000,000	1
5.50NC1.00	25,000,000	1	25,000,000	1
7.00NC1.00	1,000,000,000	1	1,000,000,000	1
7.00NC2.00	25,000,000	1	25,000,000	1
10.00NC1.00	41,000,000	2	41,000,000	2
15.00NC0.25	115,000,000	4	115,000,000	4
30.02NC1.00	275,000,000	2	275,000,000	2
TOTAL			**$ 12,191,000,000**	**70**

Benchmark Repo Lending Facility Auction Results

Auction Date	*REPO Maturity*	*CUSIP*	*Maturity*	*Amount Loaned ($MM)*	*WAVG Yield*	*# of Bids*
1/2/2009	1/5/2009	31359MUQ4	3/16/2009	76,000,000	0.01	1
1/5/2009	1/6/2009	31359MUQ4	3/16/2009	76,000,000	0.01	1
1/6/2009	1/7/2009	31359MUQ4	3/16/2009	76,000,000	0.01	1
1/7/2009	1/8/2009	31359MUQ4	3/16/2009	76,000,000	0.01	1
1/8/2009	1/9/2009	31359MUQ4	3/16/2009	76,000,000	0.01	1
1/9/2009	1/12/2009	31359MUQ4	3/16/2009	76,000,000	0.01	1
1/12/2009	1/13/2009	31359MUQ4	3/16/2009	76,000,000	0.01	1
1/13/2009	1/14/2009	31359MUQ4	3/16/2009	76,000,000	0.01	1
1/14/2009	1/15/2009	31359MUQ4	3/16/2009	76,000,000	0.01	1
1/15/2009	1/16/2009	31359MUQ4	3/16/2009	76,000,000	0.01	1
1/16/2009	1/20/2009	31359MUQ4	3/16/2009	76,000,000	0.01	1
1/20/2009	1/21/2009	31359MUQ4	3/16/2009	76,000,000	0.01	1
1/21/2009	1/22/2009	31359MUQ4	3/16/2009	76,000,000	0.01	1
1/23/2009	1/26/2009	31359MUQ4	3/16/2009	76,000,000	0.01	1
1/26/2009	1/27/2009	31359MUQ4	3/16/2009	76,000,000	0.01	1
1/27/2009	1/28/2009	31359MUQ4	3/16/2009	76,000,000	0.01	1
1/28/2009	1/29/2009	31359MUQ4	3/16/2009	76,000,000	0.01	1
1/30/2009	2/2/2009	31359MUQ4	3/16/2009	76,000,000	0.01	1

2009 Debt Redemptions

Callable Debt Redeemed (in billions)

January	$	13.3
TOTAL	**$**	**13.3**

Summary Breakdown of 2009 Benchmark Notes Issuance

Fannie Mae Noncallable Benchmark Notes

Maturity	*Jan 09 Par Amount*	*# Issues*	*YTD 2009 Par Amount*	*# Issues*
2 Years				
3 Years				
5 Years	6,000,000,000	1	$6,000,000,000	1
10 Years				
TOTAL	**$6,000,000,000**		**$6,000,000,000**	**1**