

**Budgetary Impact of Major Federal Programs that Guarantee Mortgages—CBO's March 2015 Baseline**  
(Millions of dollars, by fiscal year)

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Estimated Value of Mortgage Originations	1,058,936	1,348,570	1,759,430	2,227,828	2,450,326	2,651,203	2,883,248	3,046,704	3,170,101	3,288,317	3,410,285
<b>Fannie Mae and Freddie Mac</b>											
Annual Loan Volume	618,000	753,000	930,000	1,069,358	1,102,647	1,113,505	1,124,467	1,279,616	1,331,442	1,381,093	1,432,320
Annual Subsidy Costs <sup>a</sup>		3,000	3,400	3,200	2,000	1,400	700	1,500	1,700	1,800	1,900
Cash Receipts <sup>b</sup>	-25,800	n.a.									
Share of Estimated Originations	58.4%	55.8%	52.9%	48.0%	45.0%	42.0%	39.0%	42.0%	42.0%	42.0%	42.0%
Subsidy Rate	n.a.	0.4%	0.4%	0.3%	0.2%	0.1%	0.1%	0.1%	0.1%	0.1%	0.1%
<b>Federal Housing Administration's (FHA's) Mutual Mortgage Insurance (MMI) Program<sup>c</sup></b>											
Annual Loan Volume	136,000	164,000	197,000	222,700	238,300	231,000	244,700	249,300	251,300	253,100	255,000
Annual Subsidy Receipts	-6,306	-7,003	-8,412	-8,083	-7,352	-6,058	-5,454	-4,986	-5,026	-5,062	-5,100
Share of Estimated Originations	12.8%	12.2%	11.2%	10.0%	9.7%	8.7%	8.5%	8.2%	7.9%	7.7%	7.5%
Subsidy Rate	-4.6%	-4.3%	-4.3%	-3.6%	-3.1%	-2.6%	-2.2%	-2.0%	-2.0%	-2.0%	-2.0%
<b>Veterans Affairs (VA) Home Loan Program<sup>d</sup></b>											
Annual Loan Volume	79,010	69,970	62,328	54,085	55,489	57,090	58,926	60,956	63,082	65,138	67,151
Annual Subsidy Costs	163	241	193	187	225	254	280	303	327	347	748
Share of Estimated Originations	7.5%	5.2%	3.5%	2.4%	2.3%	2.2%	2.0%	2.0%	2.0%	2.0%	2.0%
Subsidy Rate	0.2%	0.3%	0.3%	0.3%	0.4%	0.4%	0.5%	0.5%	0.5%	0.5%	1.1%
<b>Government National Mortgage Association (GNMA) Mortgage-Backed Securities Program<sup>e</sup></b>											
Annual Subsidy Receipts	-671	-747	-815	-861	-894	-878	-922	-941	-952	-963	-974

Note: n.a.= not applicable.

- a. For 2016 through 2025, the baseline includes the projected subsidy costs of new mortgage loans and guarantees made by Fannie Mae and Freddie Mac in each year. Those projections are made using methodology described in the Federal Credit Reform Act (FCRA) which includes an adjustment for market risk.
- b. For fiscal year 2015, the baseline includes an estimate of mandatory cash payments from Fannie Mae and Freddie Mac to the Treasury.
- c. Excludes Home Equity Conversion Mortgages. MMI subsidy receipts are recorded in the budget as offsetting collections to discretionary appropriations. The subsidy rate for MMI program is calculated using the methodology described in the FCRA. The subsidy rates for the MMI program reflect the reduction in annual premium made effective on January 26, 2015.
- d. Includes guaranteed loans and direct loans made by the VA on homes sold by the department; excludes loans acquired from other lenders and guarantees on securities of direct loans originated by the VA. Costs associated with the program are recorded in the budget as mandatory expenditures. The subsidy rate for the VA program is calculated using methodology described in the FCRA.
- e. GNMA securitizes about 97 percent of FHA's MMI loans and 98 percent of VA's loans, resulting in additional offsetting collections to discretionary appropriations recorded in the budget. The subsidy rate for GNMA is calculated using the methodology described in the FCRA; the subsidy rate for the program is estimated to be -0.28 percent annually over the 2015-2025 period.