

**Details of the Budgetary Impact of Major Federal Programs that Guarantee Mortgages for CBO's February 2013 Baseline**

By fiscal year	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Estimated Value of Mortgage Originations (Mil \$)	1,753,160	1,640,227	1,964,139	2,200,204	2,405,527	2,672,747	2,974,992	3,307,253	3,507,879	3,565,936	3,591,236
<b>Government Sponsored Enterprises (GSEs)</b>											
Annual Loan Volume (Millions \$)	1,332,402	1,170,584	1,093,686	1,023,482	1,074,682	1,135,634	1,136,495	918,917	877,909	1,265,845	1,274,826
Annual Subsidy Costs (Millions \$) <sup>e</sup>		9,000	4,700	2,900	2,000	2,400	3,500	2,900	2,200	5,200	4,600
GSE Cash Receipts (Millions \$) <sup>b</sup>	-16,700	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
Share of Estimated Originations	76.0%	71.4%	55.7%	46.5%	44.7%	42.5%	38.2%	27.8%	25.0%	35.5%	35.5%
Subsidy Rate	n.a.	0.8%	0.4%	0.3%	0.2%	0.2%	0.3%	0.3%	0.3%	0.4%	0.4%
<b>Federal Housing Administration's Mutual Mortgage Insurance (MMI) Program<sup>f</sup></b>											
Annual Loan Volume (Millions \$)	227,914	203,400	216,095	242,111	264,678	240,521	223,009	247,790	262,682	266,899	268,698
Annual Subsidy Receipts (Millions \$)	-13,629	-10,841	-9,790	-9,324	-8,664	-6,692	-5,274	-4,981	-4,488	-3,876	-3,317
Share of Estimated Originations	13.0%	12.4%	11.0%	11.0%	11.0%	9.0%	7.5%	7.5%	7.5%	7.5%	7.5%
Subsidy Rate	-6.0%	-5.3%	-4.5%	-3.9%	-3.3%	-2.8%	-2.4%	-2.0%	-1.7%	-1.5%	-1.2%
<b>Veterans Affairs (VA) Home Loan Program<sup>d</sup></b>											
Annual Loan Volume (Millions \$)	107,600	98,271	88,103	75,981	68,054	59,997	62,206	64,197	66,088	68,164	70,299
Annual Subsidy Costs (Millions \$)	178	262	300	278	266	595	635	667	709	751	780
Share of Estimated Originations	6.1%	6.0%	4.5%	3.5%	2.8%	2.2%	2.1%	1.9%	1.9%	1.9%	2.0%
Subsidy Rate	0.2%	0.3%	0.3%	0.4%	0.4%	1.0%	1.0%	1.0%	1.1%	1.1%	1.1%
<b>Government National Mortgage Association (GNMA) Mortgage-Backed Securities Program<sup>e</sup></b>											
Annual Subsidy Receipts (Millions \$)	-781	-704	-689	-723	-758	-691	-658	-718	-755	-769	-776

Notes: n.a.= not applicable

- For 2014 through 2023 the baseline includes the projected subsidy costs of new mortgage loans and guarantees made by Fannie Mae and Freddie Mac in each year, using methodology described in the Federal Credit Reform Act (FCRA) including an adjustment for market risk.
- For fiscal year 2013 the baseline includes an estimate of net mandatory cash transactions between the Treasury and Fannie Mae and Freddie Mac.
- Excludes Home Equity Conversion Mortgages; MMI subsidy receipts are recorded in the budget as offsetting collections to discretionary appropriations; Subsidy rate for MMI program is calculated using methodology under FCRA.
- Includes guaranteed loans and direct loans made by VA on homes sold by the department; Excludes loans acquired from other lenders and guarantees on securities of direct loans originated by VA; Costs associated with this program are recorded in the budget as mandatory expenditures; Subsidy rate for the VA program is calculated using methodology under FCRA.
- GNMA securitizes about 95 percent of FHA 's MMI loans and 87 percent of VA's loans, resulting in additional offsetting collections to discretionary appropriations recorded in the budget; Subsidy rate for GNMA is calculated using methodology under FCRA ; The subsidy rate for this program is estimated to be -.23 percent annually over the 2013-2023 period.