

October 9th, 2020

Michael Berkshire
Department of Planning and Development (DPD)
Bureau of Planning, Historic Preservation and Sustainability
121 North LaSalle Street, City Hall Room 1006
Chicago, Illinois 60602

Re: Lakefront Protection application package for Heiwa Terrace 920 LLC &
Japanese American Service Committee Housing Corp.

Dear Mr. Berkshire:

On behalf of our clients, Heiwa Terrace 920 LLC and Japanese American Service Committee Housing Corp., enclosed please find a completed Lakefront Protection application package for property located at 920 W. Lawrence Ave. Chicago, IL 60640. In connection therewith, please see below for a summary of enclosures:

1. Lakefront Protection Application;
2. Character of Proposal Exhibits and Elevations (8.5x11 format);
3. Project Narrative;
4. Impact of Proposal;
5. Economic Disclosure Statements;
6. Notice Letter to Surrounding Property Owners;
7. Surrounding Property Owner Information (taxpayers of record); and
8. Application Fee Check in the amount of \$1,500.00.

Please contact me at (312) 832-5119 if you have any questions or need anything further in connection with this application.

Sincerely,



Michael D. Noonan

SCHEDULE OF EXHIBITS

Application for Lakefront Protection

PART ONE: GENERAL INFORMATION

LAKEFRONT PROTECTION APPLICATION

PART TWO: CHARACTER OF PROPOSAL

FIGURE 1. MAP OF THE VICINITY OF SITE

FIGURE 2. MAP OF EXISTING SITE

FIGURE 3. PROPOSED SITE PLAN

FIGURE 4. PROPOSED FLOOR PLANS

FIGURE 5. ELEVATION

NARRATIVE

PART THREE: ZONING INFORMATION

PART FOUR: POTENTIAL IMPACT OF PROPOSAL

FOURTEEN BASIC POLICIES OF LAKEFRONT PLAN OF CHICAGO

THIRTEEN PURPOSES OF LAKE MICHIGAN

PART FIVE: ECONOMIC DISCLOSURES

NOTICE LETTER TO SURROUNDING PROPERTY OWNERS

SURROUNDING PROPERTY OWNER INFORMATION

APPLICATION FEE CHECK IN THE AMOUNT OF \$1,500.00

APPLICATION NUMBER _____

CITY OF CHICAGO

AN APPLICATION TO THE CHICAGO PLAN COMMISSION UNDER THE LAKE MICHIGAN AND CHICAGO LAKEFRONT PROTECTION ORDINANCE

(This Application Must Be Typewritten)

The Chicago Plan Commission has provided this Application Form in accordance with Section 194B-6.1 (a) of the Lake Michigan and Chicago Lakefront Protection Ordinance. The Conditions under which the provisions of this Ordinance are applicable are stated in Section 194B-5.1 of the Ordinance. The process of Plan Commission review and public hearing on each proposal within the Lake Michigan and Chicago Lakefront Protection District will commence with the Applicant's submission to the Chicago Plan Commission of a completed Application Form and the required proof of notice. Strict compliance with Section 194B-6.1(c) is required.

The staff of the Department of Planning is available to provide technical assistance to the Applicant, before preparation of his application, during the processing stages, and to review the application at submission to the Chicago Plan Commission. Copies of the Ordinance and this Application Form and examples of forms for both notification and proof of notice, are available from the Commissioner of Planning, in Room 1003, Lakefront Unit, City Hall, 121 N. La Salle Street, Chicago, Illinois 60602. Phone 744-6551.

This Application Form consists of Five Parts on 17 pages:

- Part One: General Information
- Part Two: Character of Proposal
- Part Three: Zoning Information
- Part Four: Potential Impact of Proposal (2 Sections)
- Part Five: Disclosure Forms (6 Sections)

A copy of this Application will be available for public inspection in the office of the Commissioner of Planning, Room 1000, five days prior to the date of which the public hearing on this Application before the Chicago Plan Commission is to commence.

-SECTION BELOW FOR OFFICE USE ONLY-

Date of receipt in DP: _____ In Bldgs.: _____	ZBA action necessary? ____ yes ____ no: Type and Status: _____
Date of Applicant Notice to taxpayers of record: _____	Disclosure necessary? ____ yes ____ no
Date set for public hearing: _____	Simultaneous Planned Development processing ____ yes ____ no
Date on which Plan Commission published newspaper notice: _____	Previous Application this address? ____ yes ____ no; number: _____
Date of publication of report of Commissioner of DP: _____	Zoning map amendment? ____ yes ____ no: # ____
Date forwarded to: DIS ____ : DSS ____ : DPW ____ : Pk. D. ____ : Other _____	DISPOSITION Approved _____ Disapproved _____ Continued _____, to: _____ Date Applicant notified of decision: _____

SITE ADDRESS _____

GUIDELINES FOR COMPLETING PART ONE OF THE APPLICATION

Part One of this Application provides general information to the Plan Commission for use in preparing its public notices of the proposal set forth in the Application and in preparing its review of that proposal.

1. The date entered in I. should be the date on which the Application is filed.
2. The location of the site of the proposal should be given by street address; if there is no address, the location must be described in relation to existing streets, rights-of-way or other fixed points of reference.
3. The Applicant must state his own name, address and telephone number and the name, address and telephone number of the owner of the subject property. The Applicant must be either the owner of the subject property or his duly authorized agent or representative, and, if the Applicant is an agent or representative, the Applicant must submit proof to the Commission that he is authorized to represent the owner of the subject property.

Whenever the ownership of the subject property is complex - a partnership, corporation, land trust or association - the Applicant shall so indicate. Further, the Commission may require disclosure of all real parties of interest in the subject property.

4. The description of a proposal should include, at a minimum, types of land uses and space uses, floor area, number of dwelling units and height of proposed structures in feet or stories. Additional concise information may also be included.
5. Under the provisions of Section 194B-6.1(c) of the Lake Michigan and Chicago Lakefront Protection Ordinance, the Applicant must submit to the Commission at the time of filing an Application a list of the names and last known addresses of the owners of all property on which notice must be served, the method of service employed, the names and addresses of persons so served, and a statement certifying that the Applicant has complied with the noticing provisions of Section 194B-6.1(c) of the Lake Michigan and Chicago Lakefront Protection Ordinance. The Commission will not accept an application unless and until the Applicant furnishes the required list and certificate.
6. If there are any other approvals required from other public agencies before the Applicant can proceed with his proposal, they should be listed; except that other City of Chicago licenses and permits may be omitted as items requiring listing herein. If no other approvals are required, enter "NONE" under VI A. Examples of items which should be listed include approval of FHA financing, a U.S. Corps of Engineers permit, Federal Aviation Authority Approval, among others.

PART ONE: GENERAL INFORMATION

I. Date of Application: _____, 20_____.

II. Address or location of the Site of the Proposal: _____

III. Information on the Applicant and the Owner

A. Applicant

1. Name: _____ Phone: _____

2. Address: _____

B. Owner

1. Name: _____ Phone: _____

2. Address: _____

C. If the Applicant is not the owner, check here _____ that proof has been attached to this Application that the Applicant is the duly authorized agent or representative of the owner.

D. If the ownership of the subject property is complex, the Applicant shall indicate the type of ownership:

- | | |
|----------------------|-------------------------------------|
| 1. _____ Land Trust | 2. _____ Partnership or Association |
| 3. _____ Corporation | 4. _____ |

IV. Brief Description of the Proposal: _____

V. The noticing provisions of Section 194B-6.1(c) have been completed as they apply to the Applicant: Check here _____.

VI. The Applicant must also obtain the following approvals in addition to the approval of the Plan Commission:

A. Nature of Approval: _____

Agency: _____

B. Nature of Approval: _____

Agency: _____

C. Nature of Approval: _____

Agency: _____

Address: _____

HEIWA TERRACE 920 LLC
c/o Japanese American Service Committee Housing Corporation
920 W. Lawrence Avenue
Chicago, IL 60640

October 7, 2020

Michael Berkshire
Department of Planning and Development (DPD)
Bureau of Planning, Historic Preservation and Sustainability
121 North LaSalle Street, City Hall Room 1006
Chicago, Illinois 60602

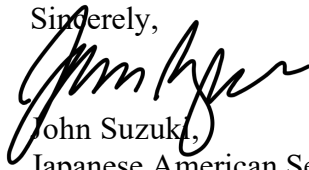
Re: Owner's Consent to file Lakefront Protection application for Heiwa
Terrace – 920 W. Lawrence Ave.

Dear Mr. Berkshire:

Japanese American Service Committee Housing Corporation hereby confirms that it is the owner of the property located at 920 W. Lawrence Ave. in Chicago, IL. The owner understands that Heiwa Terrace 920 LLC is seeking Lakefront Protection approval in order to make needed renovations to the building.

Japanese American Service Committee Housing Corporation hereby authorizes Heiwa Terrace 920 LLC and its agents to seek a Lakefront Protection approval in order to implement the proposed renovations.

Sincerely,



John Suzuki,
Japanese American Service
Committee Housing Corporation

GUIDELINES FOR COMPLETING PART TWO OF THE APPLICATION

All graphic materials must be submitted in an 8.5" x 11" format and must be suitable for clear and sharp, black and white reproduction. Each map or diagram should have a scale and a north arrow. Each sheet of graphic material must be labeled with the appropriate figure number. If there are multiple sheets comprising one figure - for example figure 4 - those sheets should be labeled consecutively, for example Figure 4-1, Figure 4-2, etc., and each sheet should contain the address of the site of the proposal in the lower left corner.

For Figure 1, the Applicant should consider the "vicinity of the site" to be at least as extensive as the area for which he is required to give notice plus any intervening streets or other public rights-of-way.

For Figures 3 and 4, the Applicant should consider that "recreation areas" and "recreation space and facilities" include game courts, swimming pools and pool areas, game rooms, exercise rooms, party rooms, community rooms, observation decks and sun decks.

The required narrative statement should describe the features of the proposed development, including size and mix of dwelling units, mix of uses on the site, etc. It should present a basic rationale for the development.

For Figure 6, the Applicant is urged to provide any materials at 8.5" x 11" which will facilitate the review of his Application.

PART TWO: CHARACTER OF THE PROPOSAL

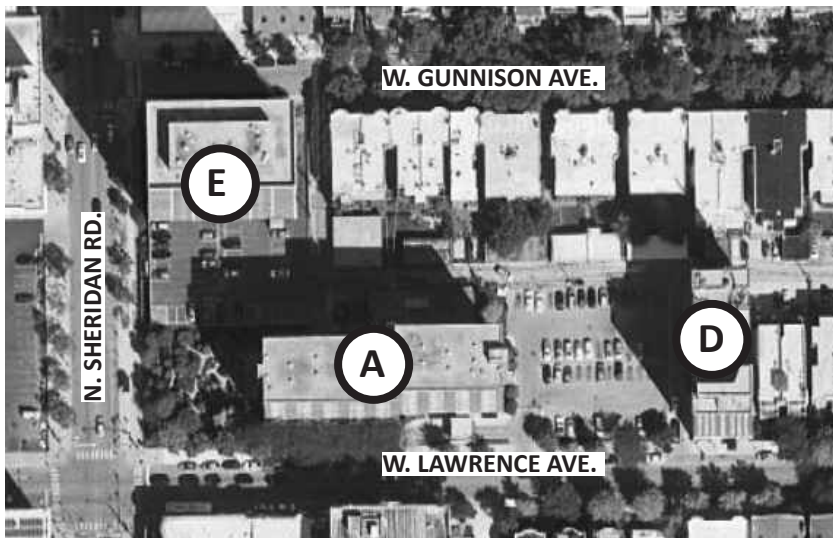
This portion of the Application must be completed by attaching the following items, correctly sized and labeled, to the Application:

- I. Figure 1: A Map of the Vicinity of the Site, showing Lake Michigan, lakefront parks, preferential streets, schools, parks, major institutions. All streets on this map should be named, and the outline and height on all structures on properties immediately adjacent to the site of the proposal must be shown.
- II. Figure 2: A Map of the Existing Site, showing locations and dimensions of lot lines; contour intervals (5-foot) ; existing structures, walkways, driveways, special features.
- III. Figure 3: The Proposed Site Plan, showing locations and dimensions of proposed structures, driveways and walkways; proposed exterior parking areas; proposed exterior open space and recreation areas.
- IV. Figure 4: Proposed Floor Plans, including the ground floor, a typical floor, any floor with recreation space or facilities.
- V. Figure 5: An Elevation or Cross-section, showing the height and number of stories for all proposed structures.
- VI. Narrative: A Statement Describing the Proposed Development.

In addition, the Applicant is encouraged to provide additional graphic materials, visual aids; e.g., photographs, renderings, data tables, among others. Any such exhibits shall be labeled Figure 6.



VICINITY MAP



ENLARGED VICINITY MAP

- A HEIWA TERRACE
13 story, 204 unit, senior affordable housing building
- B LINCOLN PARK
- C LAKE MICHIGAN
- D LAKESIDE TOWER
12 story residential building
- E SHERIDAN GUNNISON APARTMENTS

**FIGURE 1:
VICINITY MAP**

APPLICANT: HEIWA TERRACE 920 LLC
 ADDRESS: 920 West Lawrence Ave.
 Chicago, IL 60640
 FILING DATE: October 2020
 PLAN COMMISSION: November TBD

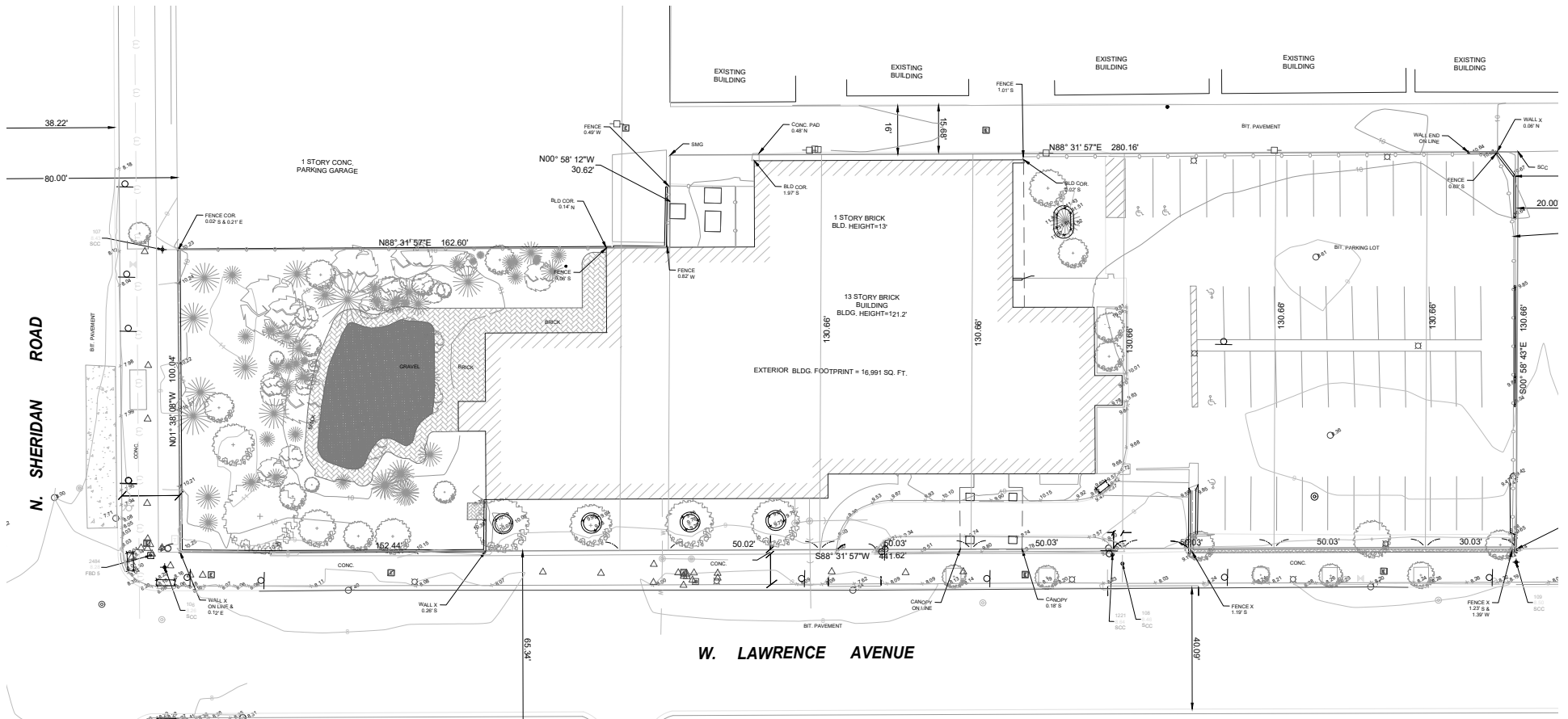




APPLICANT: HEIWA TERRACE 920 LLC
ADDRESS: 920 West Lawrence Ave.
Chicago, IL 60640
FILING DATE: October 2020
PLAN COMMISSION: TBD

**FIGURE 2-1:
EXISTING CONDITIONS**

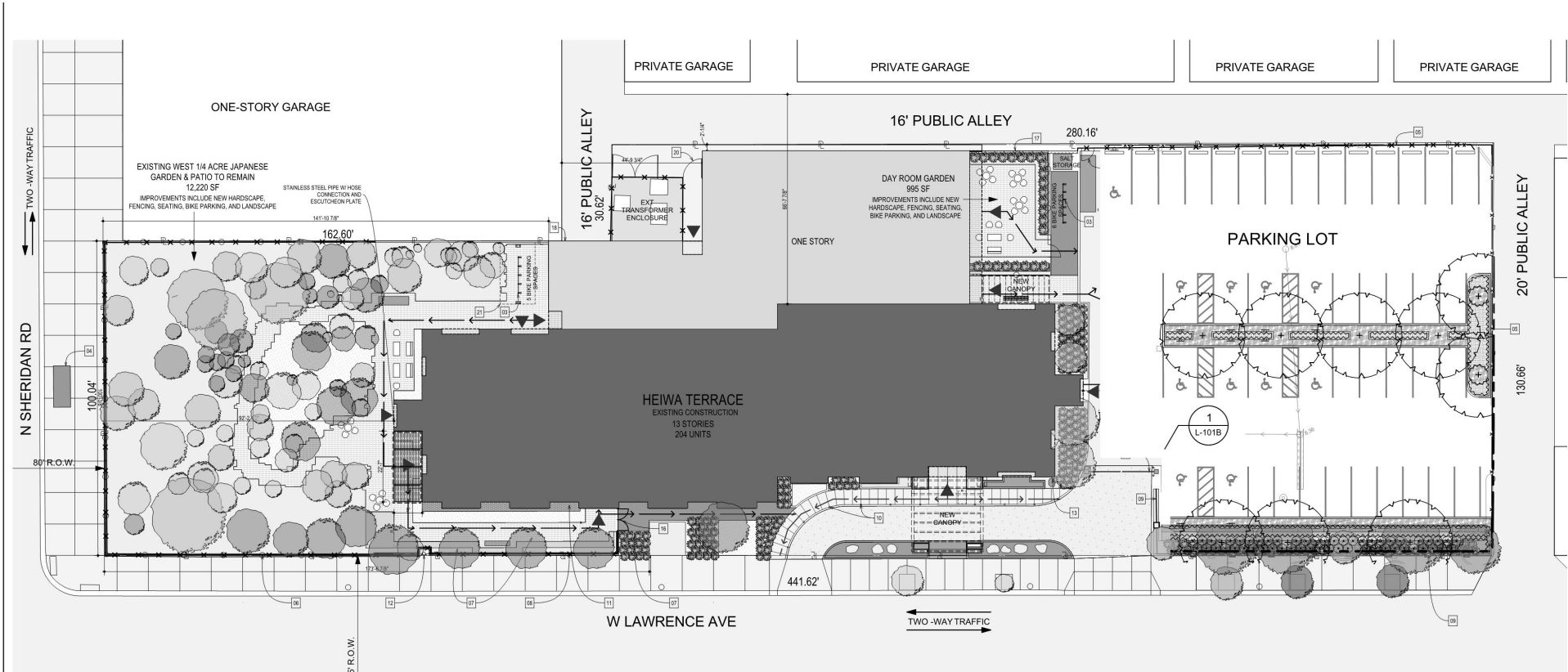




APPLICANT: HEIWA TERRACE 920 LLC
 ADDRESS: 920 West Lawrence Ave.
 Chicago, IL 60640
 FILING DATE: October 2020
 PLAN COMMISSION: November TBD

FIGURE 2-1:
EXISTING SITE PLAN

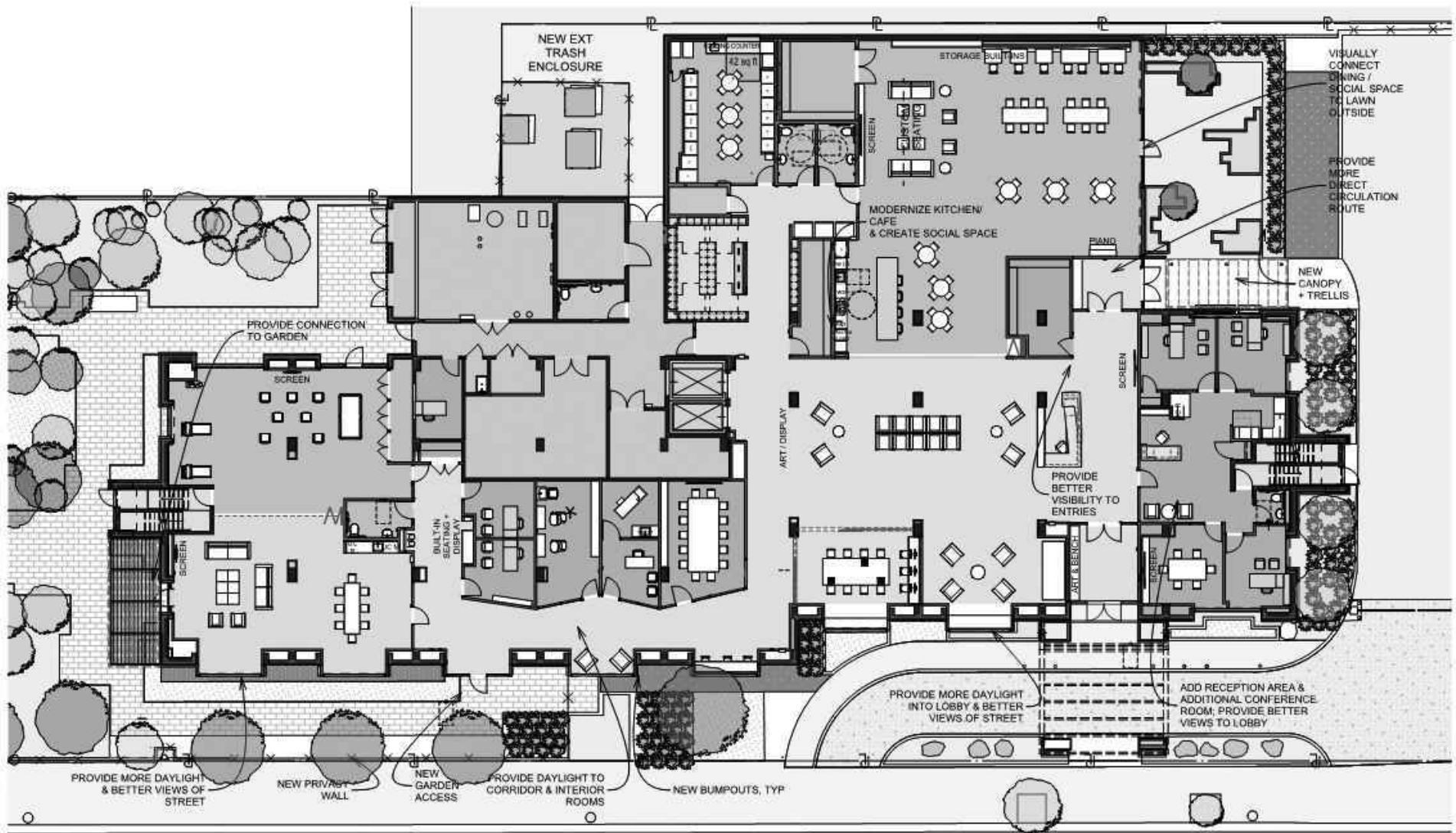




APPLICANT: HEIWA TERRACE 920 LLC
 ADDRESS: 920 West Lawrence Ave.
 Chicago, IL 60640
 FILING DATE: October 2020
 PLAN COMMISSION: TBD

FIGURE 3:
PROPOSED SITE PLAN

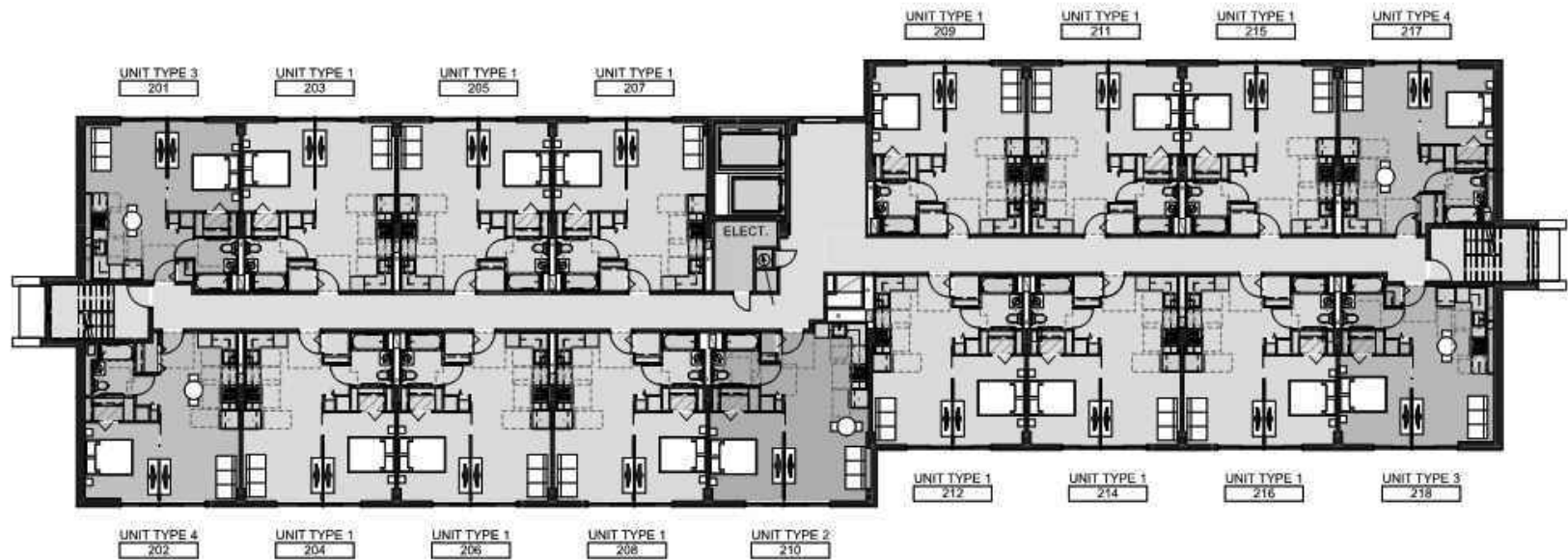




APPLICANT: HEIWA TERRACE 920 LLC
 ADDRESS: 920 West Lawrence Ave.
 Chicago, IL 60640
 FILING DATE: October 2020
 PLAN COMMISSION: November TBD

FIGURE 4:
PROPOSED GROUND FLOOR PLAN

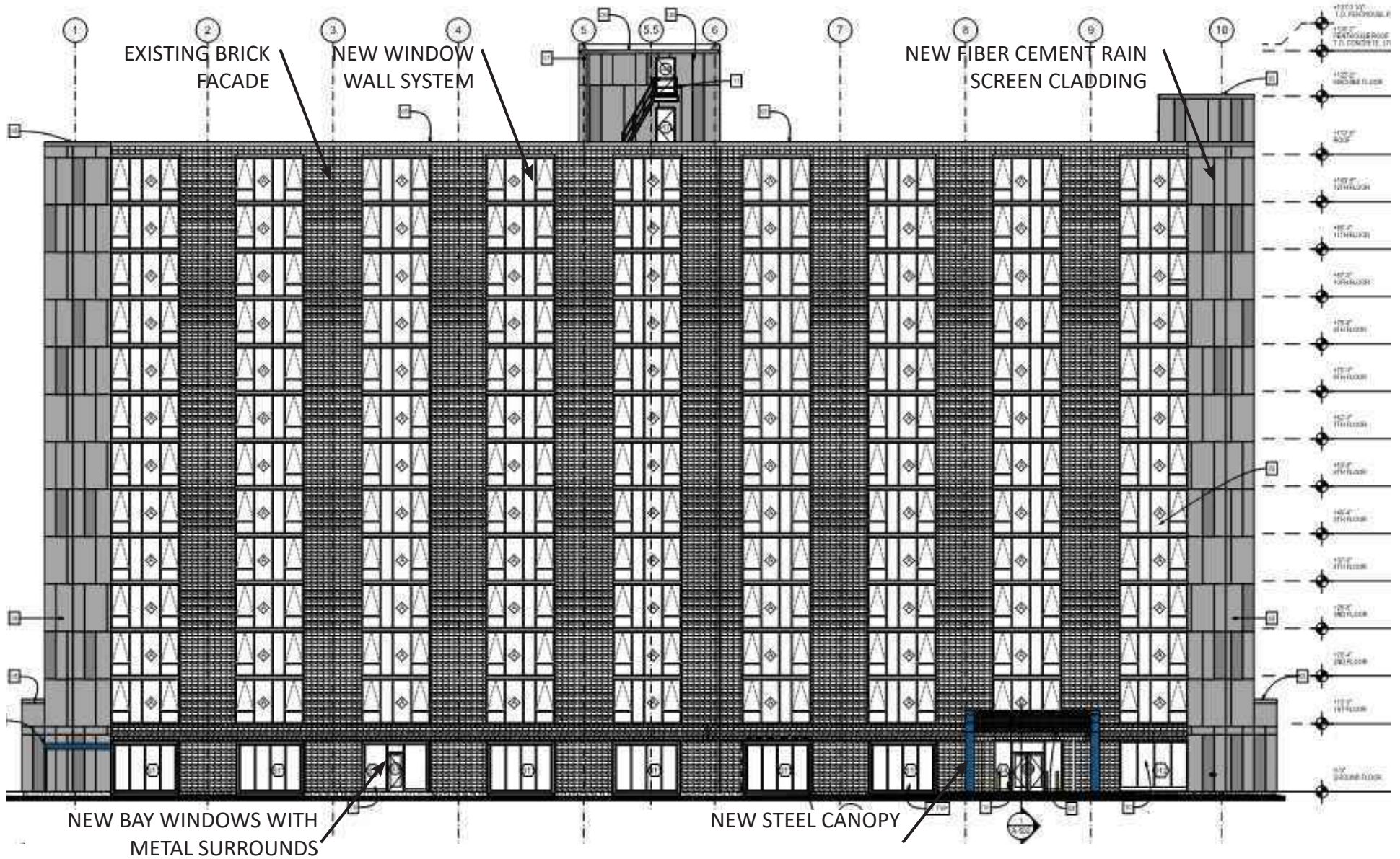




APPLICANT: HEIWA TERRACE 920 LLC
 ADDRESS: 920 West Lawrence Ave.
 Chicago, IL 60640
 FILING DATE: October 2020
 PLAN COMMISSION: TBD

FIGURE 4:
PROPOSED TYPICAL FLOOR PLAN

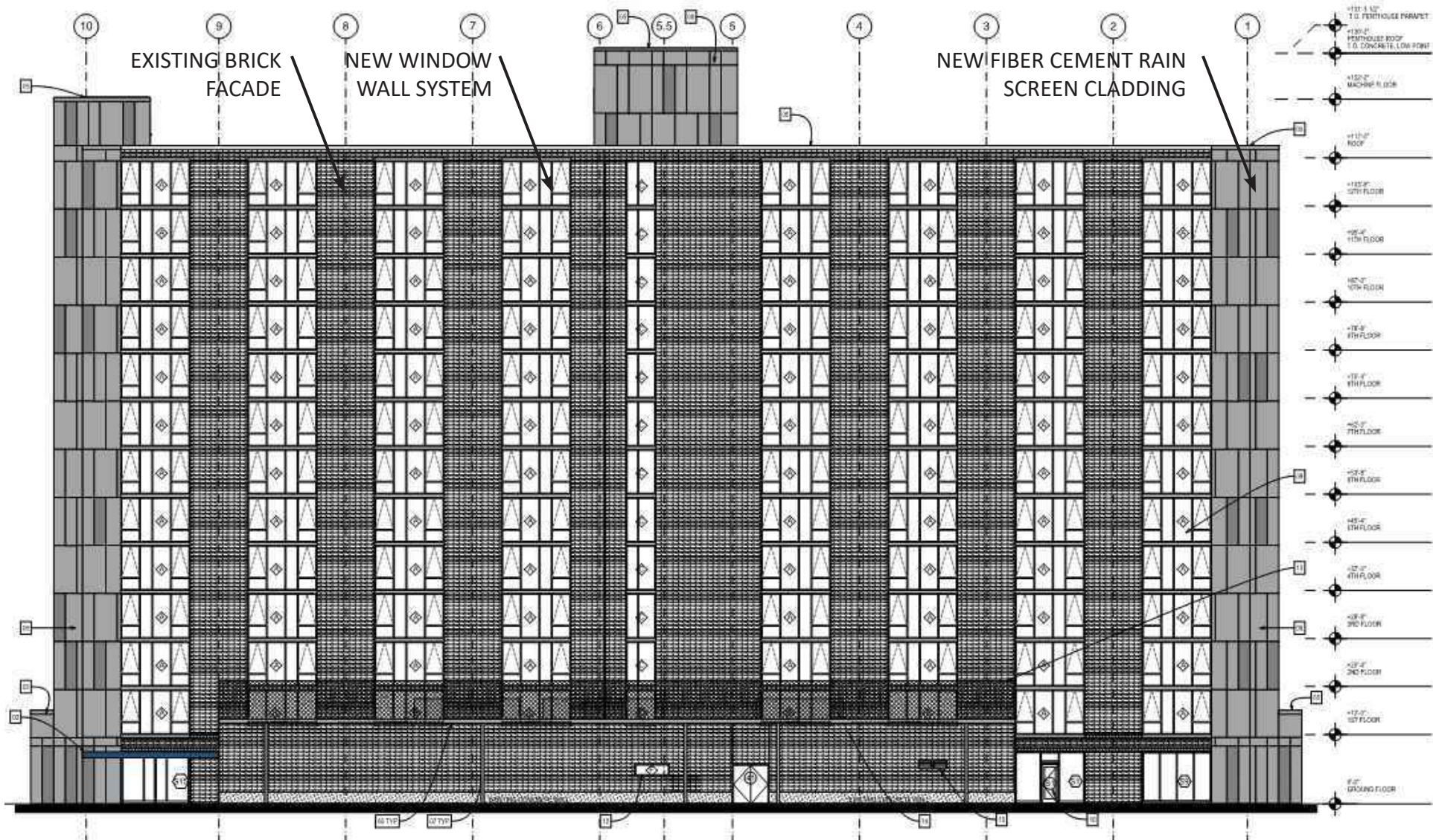




APPLICANT: HEIWA TERRACE 920 LLC
 ADDRESS: 920 West Lawrence Ave.
 Chicago, IL 60640
 FILING DATE: October 2020
 PLAN COMMISSION: November TBD

**FIGURE 5-1:
SOUTH ELEVATION**

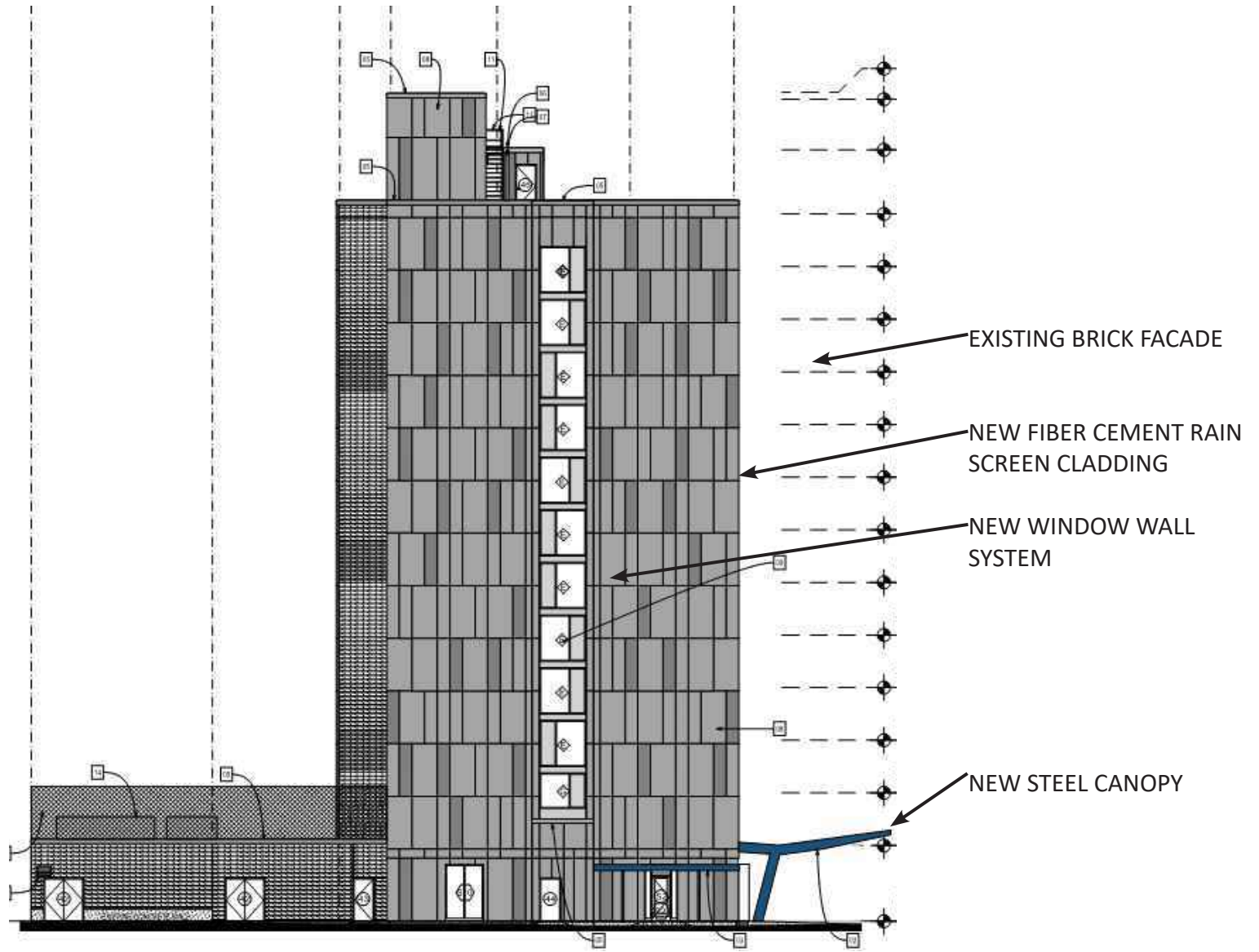




APPLICANT: HEIWA TERRACE 920 LLC
 ADDRESS: 920 West Lawrence Ave.
 Chicago, IL 60640
 FILING DATE: October 2020
 PLAN COMMISSION: TBD

FIGURE 5-1:
SOUTH ELEVATION

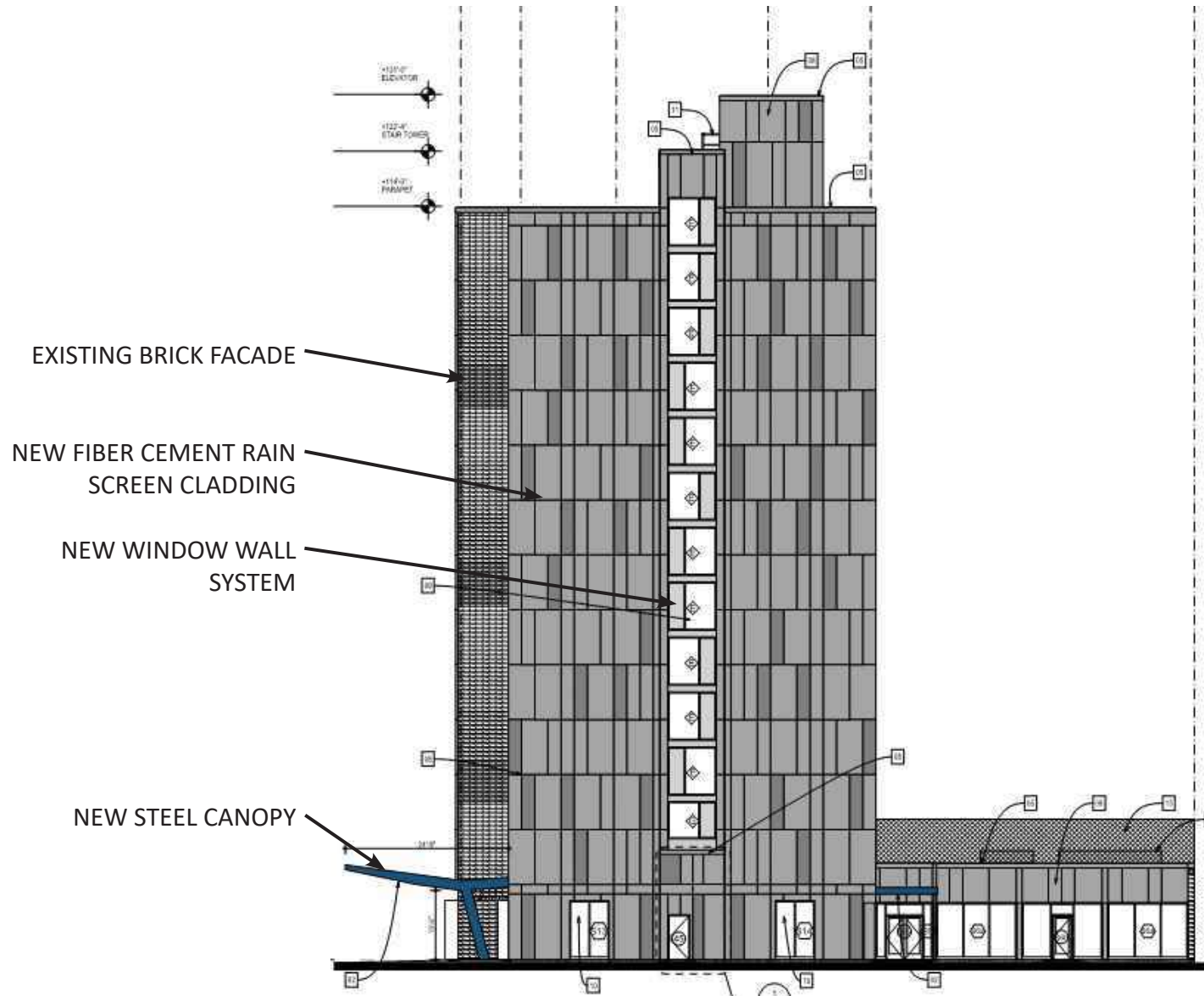




**FIGURE 5-1:
WEST ELEVATION**

APPLICANT: HEIWA TERRACE 920 LLC
 ADDRESS: 920 West Lawrence Ave.
 Chicago, IL 60640
 FILING DATE: October 2020
 PLAN COMMISSION: November TBD





APPLICANT: HEIWA TERRACE 920 LLC
 ADDRESS: 920 West Lawrence Ave.
 Chicago, IL 60640
 FILING DATE: October 2020
 PLAN COMMISSION: TBD

FIGURE 5-1:
EAST ELEVATION



PART TWO: CHARACTER OF PROPOSAL

EXHIBIT D

NARRATIVE

Project Narrative

First built in 1978, Heiwa Terrace is an existing affordable senior housing building that has been serving the Uptown neighborhood for the past 40 years. With any building of this age, a major renovation is necessary to provide a comfortable, efficient, relevant, and safe residence. Heiwa Terrace intends to renovate both the unit interiors as well as the common areas which include:

- Improvements to several building systems (mechanical systems, roof replacement, and building envelope);
- Renovation and reconfiguration of ground-floor common areas; and
- Modernization and upgrades to residential units that are appropriate for active aging seniors.

Additionally, such improvements will increase social interaction amongst residents, improve overall health, and provide an appealing dwelling unit that will serve the generations of aging seniors in need of affordable housing for the next 40 years.

Heiwa Terrace is located at the northeast corner of Lawrence Ave. and Sheridan Rd. and contains twelve residential stories over one amenity and service floor. The building is situated with a large fenced-in garden to the west, existing parking for 48 cars to the east and an alley to the north. The parking lot is being revised to include additional accessible parking and will be brought into compliance with the landscape ordinance with the addition of parking islands and trees. The final renovation will result in 43 spaces, which is consistent with the number required when the building was constructed in 1978. The renovation is proposing 204 one-bedroom units, which is an increase of three units from the existing count of 201. The scope includes unit renovations, a ground floor gut renovation, a new HVAC system, a new sprinkler system providing full coverage to all units, new enlarged window wall systems, new bay windows on the ground floor, a new fiber cement cladding rain screen and new entry canopy.

With the property's original loan expiring in February 2021, the project will leverage its built-in equity, utilize Low Income Housing Tax Credits (LIHTC) and other debt sources to fund this renovation.

HEIWA TERRACE

SENIOR CITIZENS HOUSING

hn
rw

INDEX OF DRAWINGS

ARCHITECTURAL

- A1 COVER SHEET
- A2 SITE PLAN
- A3 LANDSCAPING PLAN
- A4 FIRST FLOOR PLAN & ELEVATION
- A5 ENLARGED FIRST FLOOR PLAN
- A6 REFLECTED CEILING PLAN
- A7 TYPICAL FLOOR PLAN - INTERIOR ELEV. & SCHEDULE
- A8 ENLARGED TYPICAL FLOOR PLAN
- A9 THIRTEENTH FLOOR PLAN
- A10 ROOF PLAN
- A11 SOUTH ELEVATION
- A12 NORTH ELEVATION
- A13 EAST & WEST ELEVATIONS
- A14 WALL SECTIONS
- A15 WALL SECTIONS
- A16 SECTIONS & DETAILS
- A17 STAIR, ELEVATOR AND CHUTE PLANS AND SECTIONS
- A18 INTERIOR WALL SECTIONS & DOOR SCHEDULE
- A19 WINDOW HEAD, JAMB & SILL DETAILS
- A20 SECTIONS & DETAILS

- K1 KITCHEN PLANS AND ELEVATIONS
- K2 KITCHEN MECHANICAL PLANS

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- P2 FIRST FLOOR - PLUMBING & GAS PIPING
- P3 2ND. FLR. THRU 12TH. TYPICAL - PLUMBING PLAN
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- S9 COLUMN SCHEDULE & DETAILS
- S10 SHEAR WALL AND DETAILS
- S11 BEAM SCHEDULE AND CAISSONS DETAILS

MECHANICAL

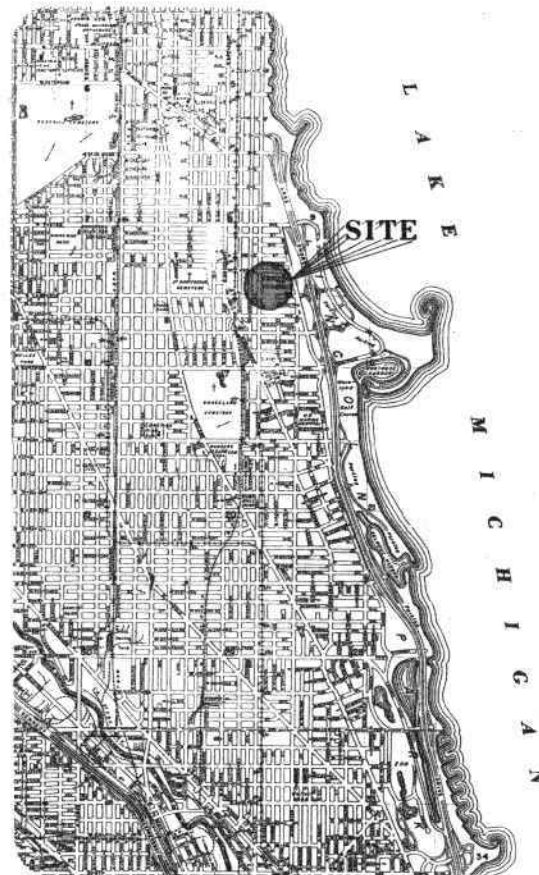
- HV1 FIRST FLOOR PLAN
- HV2 TYPICAL FLOOR PLAN, 2ND. THRU 12TH. FLOORS.
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- E6 MAIN RISER DIAGRAM
- E7 EQUIPMENT RISER DIAGRAM
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- FP1 FIRST FLOOR PLAN
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ISSUE	DATE	REMARKS
A	3-20-78	INITIAL F.H.A. REVIEW
B	7-18-78	ADDENDUM NO. 1 AND INITIAL ENFORCEMENT
C	8-18-78	ADDITON TO ADDENDUM NO. 1 FOR HOLDING PERMIT APPROVAL AND CONSTRUCTION

4801 N. SHERIDAN ROAD
CHICAGO, ILLINOIS

BUILDING COMPOSITION

UNITS	QUANTITY	TOTAL FOR 13 FLOORS
ONE BEDROOM UNITS A,C & D	16 UNITS PER FLOOR 2nd thru 12th FLOORS	176 STANDARD
ONE BEDROOM HANDICAPPED	1 UNIT PER FLOOR 2nd thru 12th FLOORS	11 HANDICAPPED
ONE BEDROOM UNITS A,C & D	13th FLOOR	13 STANDARD
TOTAL RENTAL NON RENTAL UNITS	200 UNITS	189 STANDARD 11 HANDICAPPED
PARKING	9'-0" x 20'-0" STALLS 9'-0" x 20'-0" 1/4" HANDICAPPED LANE 9'-0" x 20'-0" EMPLOYEE	36 CARS 4 CARS 3 CARS
NON PENTAL UNITS	2 BEDROOM MANAGERS APT, MEETING ROOM & PARTY ROOM	13th FLOOR

H.U.D. PROJECT NO. IL 06-1457-201
: 071-EH-004-L8-WAH

ARCHITECT: HANSEN, NAKAWATASE, RUTKOWSKI & WYNS Inc.

OWNER: JAPANESE AMERICAN SERVICE COMM HOUSING CORP.

CONTRACTOR: A.J. MAGGIO CO.

BONDING COMPANY: UNITED STATES FIDELITY & GUARANTY CO.

WE HEREBY CERTIFY THAT THESE CONTRACT DRAWINGS AND SPECIFICATIONS WERE DRAWN IN OUR OFFICE AND TO THE BEST OF MY KNOWLEDGE CONFORM TO THE SCHEMATIC DRAWINGS, BRIEF SPECIFICATIONS, COMMITMENT CONDITIONS, APPLICABLE CODES AND ORDINANCES, AND THE F.H.A.'S "MINIMUM PROPERTY STANDARDS FOR MULTI-FAMILY HOUSING"

HANSEN, NAKAWATASE, RUTKOWSKI & WYNS, Inc.

DONALD V. RUTKOWSKI ARCHITECT

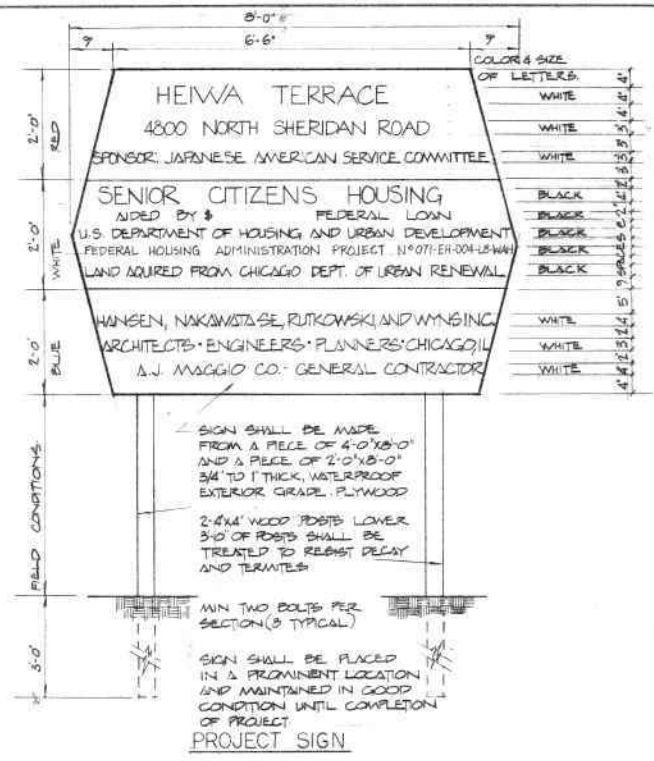
DATE MARCH 20, 1978

hansen
nakawatase
rutkowski &
wyns inc.

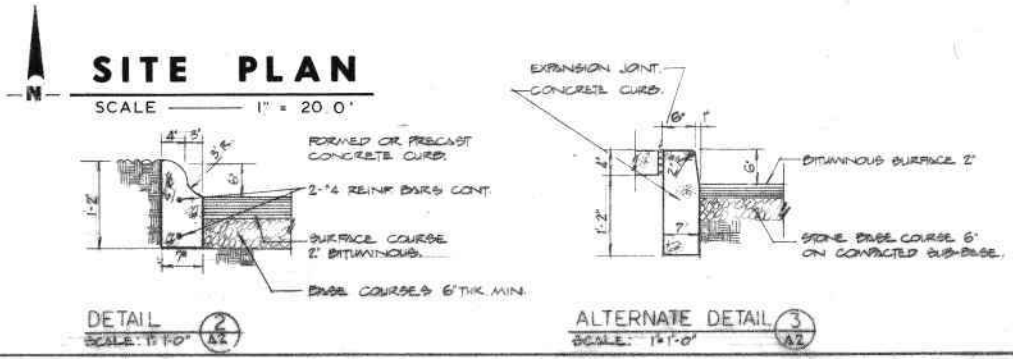
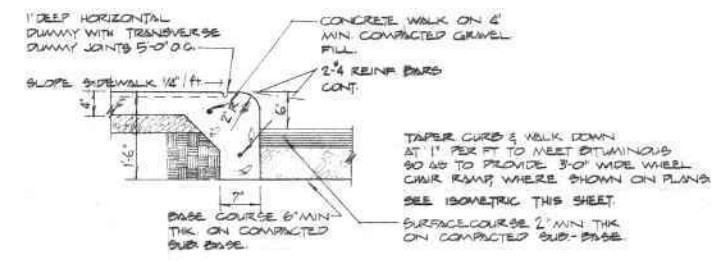
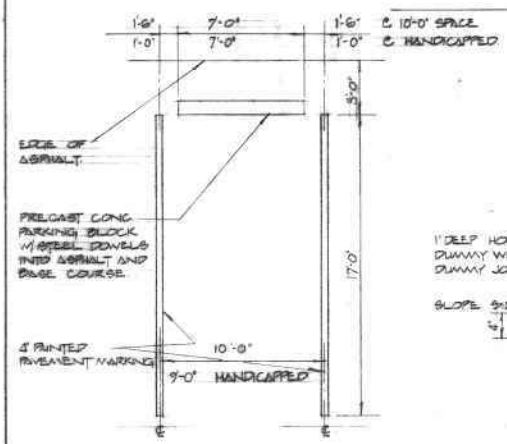
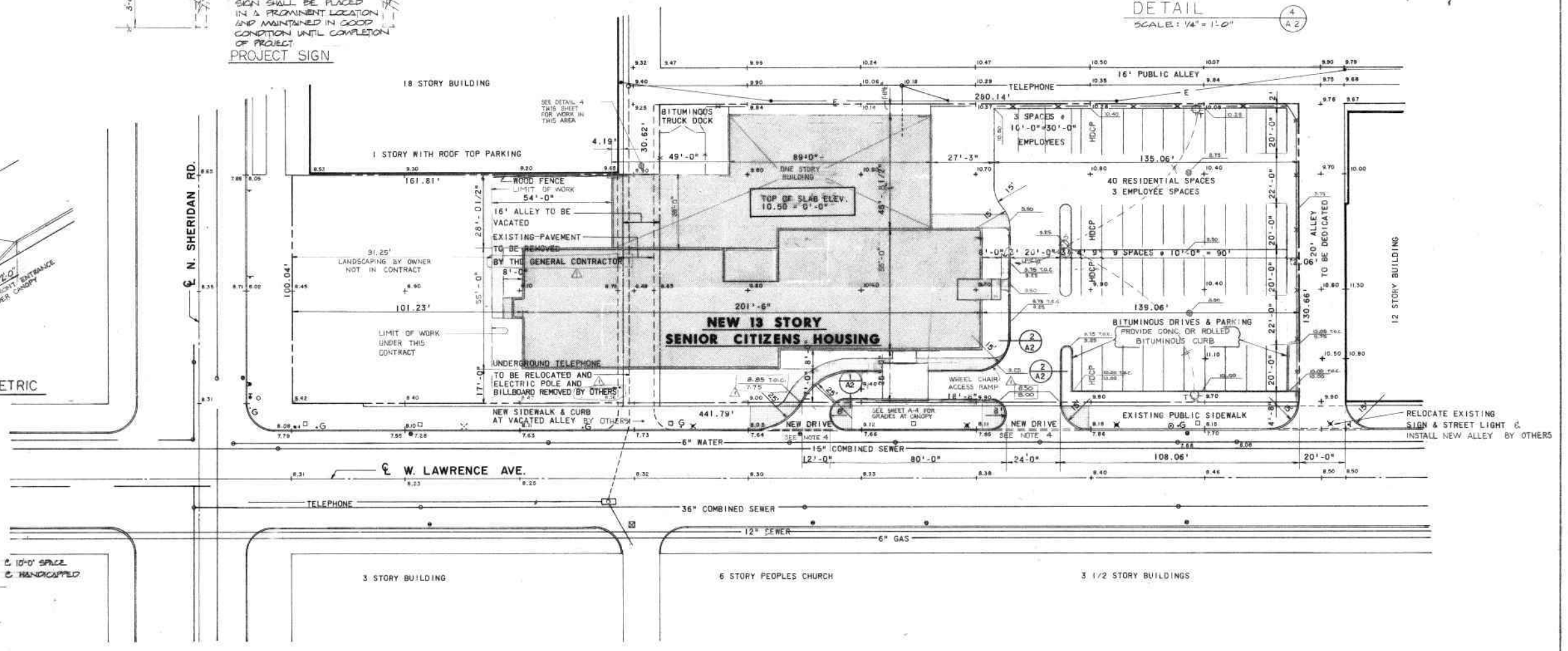
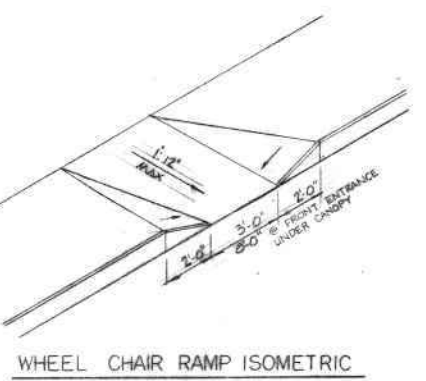
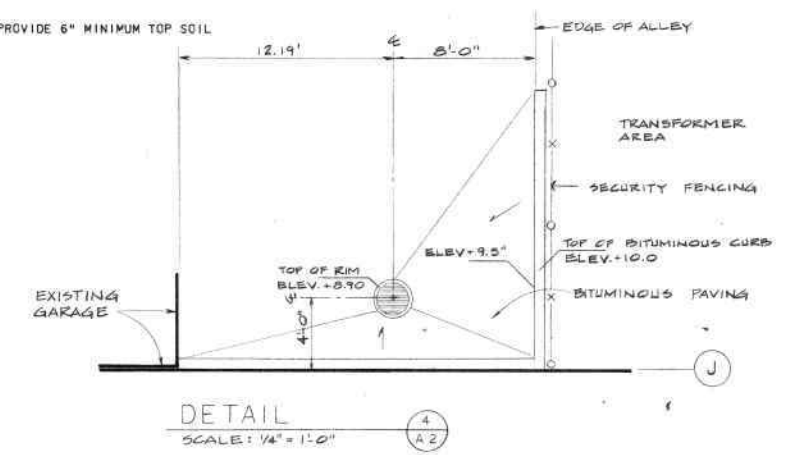
architects
engineers
planners

223 w. jackson blvd.
suite 703
chicago ill. 60606

- SYMBOLS**
- MANHOLE
 - STREET LIGHT
 - JUNCTION BOX
 - SIGN POLE
 - ⊕ FIRE HYDRANT
 - ⊖ ELECTRIC MANHOLE
 - ⊙ CATCH BASIN
 - ⊗ BUFFALO BOX
 - G GAS VALVE
 - ⊠ TELEPHONE JUNCTION BOX
 - ⊙ UTILITY POLE
 - ⊙ TRAFFIC LIGHT
 - + 9.70 EXISTING SPOT ELEVATION
 - + 9.75 NEW SPOT ELEVATION
 - E- OVERHEAD ELECTRIC SERVICE
 - X- SECURITY FENCING
 - + 3.75 T.O.C. 9.25 TOP OF CURB PAVING
 - ▭ CONC. SIDEWALKS



- GENERAL NOTES**
1. ALL ELEVATIONS SHOWN ARE TO THE CITY OF CHICAGO DATUM
 2. GENERAL CONTRACTOR SHALL VERIFY EXISTING CONDITIONS ON SITE AND INFORM A/E OF ANY DISCREPANCIES PRIOR TO COMMENCING WORK.
 3. GENERAL CONTRACTOR SHALL STRIP ALL TOP SOIL AND STORE ON SITE FOR FILL AND FINAL GRADING.
 4. PROVIDE NEW CURB WITH WHEELCHAIR RAMP AND REPAIR SIDEWALK AT NEW DRIVES.
 5. REFER TO MECHANICAL DRAWINGS FOR NEW EXTERIOR MECHANICAL WORK.
 6. REFER TO THIS SHEET FOR NEW EXTERIOR ELECTRICAL WORK.
 7. ALL NEW SPOT ELEVATIONS AND CONTOUR LINES ARE TO ESTABLISH FINISH GRADES. PROVIDE 6" MINIMUM TOP SOIL IN ALL PLANTING AND LAWN AREAS.
 8. DIMENSIONS ARE SHOWN TO FACE OF CURB, EDGE OF PAVING AND FACE OF BUILDING.
 9. REFER TO SHEET A-3 FOR LANDSCAPING PLAN.
 10. REFER TO SHEET A-4 FOR SIDEWALK LOCATIONS.



H.U.D. PROJECT NO. 071-EH-004-L8-WH

SITE PLAN		REVISIONS		HEIWA TERRACE 4801 N. SHERIDAN ROAD CHICAGO, ILLINOIS		SHEET A2	
Δ 1-18-75		SHOWN BY	CHECKED BY	SCALE	PROJECT	DATE	
		H.L.S.B.A.	P.V.R.	AS NOTED	STREETS	2-20-75	
ARCHITECTS • ENGINEERS • PLANNERS HANSEN NAKAWATASE RUTKOWSKI & WYNSING, INC. 223 WEST JACKSON • SUITE 703 • CHICAGO, ILLINOIS 60608							

PART THREE: ZONING INFORMATION

The Applicant shall provide the basic data on zoning considerations for the site of the proposal. Calculations may be shown below on this page and on page 8.

I. Is a planned development ordinance or an amendment to an existing planned development required or permitted for the subject site?

____ required _____ permitted _____ no

If a planned development approach is required, or if it is permitted and the Applicant chooses to seek a planned development amendment, the Applicant is not required to complete the remainder of Part Three of this Application Form.

Address: _____

II Is Zoning Board of Appeals approval a variation or a special use either necessary or

contemplated in relation to the Applicant's proposal? _____ yes _____ no.

If "yes," please explain the nature of the approval.

III. Net Site Area and Existing Zoning District Classification (list that portion of the net site area in each):

<u>District Classification</u>	<u>Area</u>
A. _____	_____ sq. ft.
B. _____	_____ sq. ft.
C. _____	_____ sq. ft.
D. Total Net Site Area:	_____ sq. ft.

IV. Dwelling Units

A. Maximum units allowed

1. Without efficiency units: _____.
2. With maximum percent of efficiency units: _____.

B. Proposed number of units

1. Dwelling units: _____.
2. Efficiency Units: _____.
3. Total Units: _____.

C. Does the Applicant intend to increase allowable floor area by reducing the number of units constructed below the maximum allowed?

_____ yes _____ no.

If "yes" there will be _____ units fewer than the maximum allowed, and the Floor Area Ratio for the site will be increased by _____ %.

Address: _____

This page for calculations.

Lot Area			Width	Length	
		52,815			
Zoning District B3-5					
Permitted Uses					
FAR		5.0			
Maximum FAR Floor Area		264,075			
Dwelling Units					
		Unit	Eff	(Max. %)	cons. MLA
MLA		200	135	30%	180.5
Maxiumu DU		264			
w/Max Efficiencies		204	87.6	292	

Address: _____

V. Bulk

- A. Base Floor Area Ratio (F.A.R.), without bonuses: _____ .
- B. Proposed F.A.R., include all bonuses: _____ .
- C. List all bonuses used in computing B., above:
 - 1. _____
 - 2. _____
 - 3. _____
- D. Proposed Floor Area: _____ sq. ft.
- E. Percentage of floor area devoted to interior recreation space, meeting rooms, etc. :
_____ %.

VI. Off-street Parking and Loading

	<u>Minimum Required</u>	<u>Number Proposed</u>
A. Parking Spaces	_____	_____
B. Loading Docks	_____	_____

VII. Setbacks

	<u>Minimum</u>	<u>Proposed</u>
A. Front	_____	_____
B. Side	_____	_____
C. Rear	_____	_____

Address: _____

PART FOUR: POTENTIAL IMPACT OF THE PROPOSAL

The Chicago Plan Commission requires that the Applicant address the Fourteen Basic Policies of the Lakefront Plan of Chicago and the Thirteen Purposes of the Lake Michigan and Chicago Lakefront Protection Ordinance, as listed below, in a written statement to the Commission attached to this Application Form and labeled Part Four. The statement should indicate which policies or purposes are or are not applicable to the Applicant's proposal, and, for those policies and purposes which are applicable, the statements should discuss the potential impact of the proposal.

I. Fourteen Basic Policies

1. Complete the publicly owned and locally controlled park system along the entire Chicago lakefront.
2. Maintain and enhance the predominantly landscaped, spacious and continuous character of the lake shore parks.
3. Continue to improve the water quality and ecological balance of Lake Michigan.
4. Preserve the cultural, historical, and recreational heritage of the lakeshore parks.
5. Maintain and improve the formal character and open water vista of Grant Park with no new above-ground structures permitted.
6. Increase the diversity of recreational opportunities while emphasizing lake-oriented leisure time activities.
7. Protect and develop natural lakeshore park and water areas for wildlife habitation.
8. Increase personal safety.
9. Design all lake edge and lake construction to prevent detrimental shoreline erosion.
10. Ensure a harmonious relationship between the lakeshore parks and the community edge, but in no instance will further private development be permitted East of Lake Shore Drive.
11. Improve access to the lakeshore parks and reduce through vehicular traffic on secondary park roads.
12. Strengthen the parkway characteristics of Lake Shore Drive and prohibit and roadway of expressway standards.
13. Ensure that all port, water supply, and public facilities are designed to enhance lakefront character.
14. Coordinate all public and private development within the water, park, and community zones.

PART FOUR: POTENTIAL IMPACT OF THE PROPOSAL

II Thirteen Purposes

1. To promote and protect the health, safety, comfort, convenience, and the general welfare

of the people, and to conserve our natural resources;

2. To identify and establish the Lake Michigan and Chicago Lakefront Protection District and to divide that District into several zones wherein any and all development or construction, as specified in Article V hereinafter, shall be specifically restricted and regulated;
3. To maintain and improve the purity and quality of the waters of Lake Michigan;
4. To insure that construction in the Lake or modification of the existing shoreline shall not be permitted if such construction or modification would cause environmental or ecological damage to the Lake or would diminish water quality; and to insure that the life patterns of fish, migratory birds and other fauna are recognized and supported;
5. To insure that the Lakefront Parks and the Lake itself are devoted only to public purposes and to insure the integrity of and expand the quantity and quality of the Lakefront Parks;
6. To promote and provide for continuous pedestrian movement along the shoreline;
7. To promote and provide for pedestrian access to the Lake and Lakefront Parks from and through areas adjacent thereto at regular intervals of one-fourth mile and additional places wherever possible, and to protect and enhance vistas at these locations and wherever else possible;
8. To promote and provide for improved public transportation access to the Lakefront;
9. To insure that no roadway of expressway standards, as hereinafter defined, shall be permitted in the Lakefront Parks;
10. To insure that development of properties adjacent to the Lake or the Lakefront Parks is so defined as to implement the above-stated purposes, provided, however, that with respect to property located within the Private Use Zone as established by Article V, VI, and IX of this Ordinance, the permitted use, special use, lot area per dwelling unit, and floor area ratio provisions of the Chicago Zoning Ordinance, Chapter 194A of the Municipal Code of Chicago, shall govern except where such provisions are in substantial conflict with the purposes of this Ordinance or the Fourteen Basic Policies of the Lakefront Plan of Chicago;
11. To achieve the above-stated purposes, the appropriate public agency should acquire such properties or rights as may be necessary and desirable;
12. To define and limit the powers and duties of the administrative body and officers as provided herein;
13. Nothing contained in the Lake Michigan and Chicago Lakefront Protection Ordinance shall be deemed to be a waiver or consent, license or permit to use any property or to locate, construct or maintain any building, structure or facility or to carry on any trade, industry, occupation or activity which may be otherwise required by law.

PART FOUR: POTENTIAL IMPACT OF THE PROPOSAL

FOURTEEN POLICIES

- 1. Complete the publicly owned and locally controlled park system along the entire Chicago lakefront.**

The proposed development is located in the Private Use Zone and will have no adverse impact on pursuit of this policy

- 2. Maintain and enhance the predominately landscaped, spacious and continuous character of the lake shore parks.**

The proposed development is in the Private Use Zone and will have no adverse impact on pursuit of this policy.

- 3. Continue to improve the water quality and ecological balance of Lake Michigan.**

The proposed development reconfigures the parking lot to bring it into conformance with the Chicago Landscape Ordinance by introducing landscaped buffers, islands and trees that will reduce the stormwater flow to the sewer system.

- 4. Preserve the cultural, historical, and recreational heritage of the lakeshore parks.**

The proposed development is in the Private Use Zone and will have no adverse impact on pursuit of this policy.

- 5. Maintain and improve the formal character and open water vista of Grant Park with no new above-ground structures permitted.**

The proposed development is in the Private Use Zone and not in Grant Park and will have no adverse impact on pursuit of this policy.

- 6. Increase the diversity of recreational opportunities while emphasizing lake-oriented leisure time actives.**

The proposed development is in the Private Use Zone and will have no adverse impact on pursuit of this policy.

- 7. Protect and develop natural lakeshore park and water areas for wildlife habitation.**

The proposed development is on private property in the Private Use Zone and will have no adverse impact on pursuit of this policy. The proposed development includes intensive and extensive landscaped areas at grade level which provides a variety of habitat environments for birds and insects.

- 8. Increase personal safety.**

The development provides well lit entrances, parking and gardens that enhance the visibility on the adjacent streets.

9. Design all lake edge and lake construction to prevent detrimental shoreline erosion.

The proposed development is not located on the lake edge or within the lake.

10. Ensure a harmonious relationship between the lakeshore parks and the community edge, but in no instance will further private development be permitted east of Lake Shore Drive.

The proposed new building is west of Lake Shore Drive, within the Private Use Zone and not adjacent to the lakeshore parks.

11. Improve access to the lakeshore parks and reduce through vehicular traffic on secondary park roads.

The proposed development is in the Private Use Zone and will have no adverse impact on the pursuit of this policy.

12. Strengthen the parkway characteristics of Lake Shore Drive and prohibit any roadway of expressway standards.

The proposed development will have no adverse impact on pursuit of this policy.

13. Ensure that all port, water supply, and public facilities are designed to enhance lakefront character.

The proposed development is in the Private Use Zone and includes no port, water supply or other public facilities.

14. Coordinate all public and private development within the water, park and community zones.

The proposed development is in the Private Use Zone and is the renovation of an existing building, which enhances its visual and landscape character within the community.

THIRTEEN PURPOSES

- 1. To promote and protect the health, safety, comfort, convenience, and the general welfare of the people, and to conserve our natural resources;**

The proposed development is in the Private Use Zone and is the renovation of an existing affordable senior housing building. The renovation will enhance its visual appearance and landscape character within the community.

In addition, the renovation includes multiple features that will assist in conserving energy and natural resources.

- 2. To identify and establish the Lake Michigan and Chicago Lakefront Protection District and to divide that District into several zones wherein any and all development or construction, as specified in Article V hereinafter, shall be specifically restricted and regulated;**

This purpose does not apply to individual projects.

- 3. To maintain and improve the purity and quality of the waters of Lake Michigan;**

The proposed development reconfigures the parking lot to bring it into conformance with the Chicago Landscape Ordinance by introducing landscaped buffers, islands and trees that will reduce the stormwater flow to the sewer system.

- 4. To insure that construction in the Lake or modifications of the existing shoreline shall no be permitted if such construction or modification would cause environmental or ecological damage to the Lake or would diminish water quality; and to insure that the life patterns of fish, migratory birds and other fauna are recognized and supported;**

The proposed development involves no construction in the Lake or modifications of the existing shoreline.

- 5. To insure that the Lakefront Parks and the Lake itself are devoted only to public purposes and to insure the integrity of and expand the quantity and quality of the Lakefront Parks;**

The proposed development is in the Private Use Zone and will have no adverse impact on pursuit of this policy.

- 6. To promote and provide for continuous pedestrian movement along the shoreline;**

The proposed development is in the Private Use Zone and not on the shoreline and will have no adverse impact on pursuit of this purpose.

- 7. To promote and provide for pedestrian access to the Lake and Lakefront Parks from and through areas adjacent thereto at regular intervals of one-fourth mile and**

additional places wherever possible, and to protect and enhance vistas at these locations and wherever else possible;

The proposed development will have no adverse impact on pursuit of this policy.

8. To promote and provide for improved public transportation access to the Lakefront;

The proposed development is in the Private Use Zone and will have no adverse impact on pursuit of this purpose.

9. To insure that no roadway of expressway standards, as hereinafter defined, shall be permitted in the Lakefront Parks;

The proposed development is in the Private Use Zone and will have no adverse impact on pursuit of this purpose.

10. To insure that development of properties adjacent to the Lake or the Lakefront Parks is so defined as to implement the above-stated purposes, provided, however, that with respect to property located within the Private Use Zone as established by Article V, VI, and IX of this Ordinance, the permitted use, special use, lot area per dwelling unit, and floor area ratio provisions of the Chicago Zoning Ordinance, Chapter 194A of the Municipal Code of Chicago, shall govern except where such provisions are in substantial conflict with the purposes of this Ordinance or the fourteen Basic Policies of the Lakefront Plan of Chicago;

The proposed development is the renovation of an existing Permitted Non-Conforming Development. The development will conform with the limits established under Section 17-15-0400 of the Chicago Zoning Ordinance.

11. To achieve the above-stated purposes, the appropriate public agency should acquire such properties or rights as may be necessary and desirable;

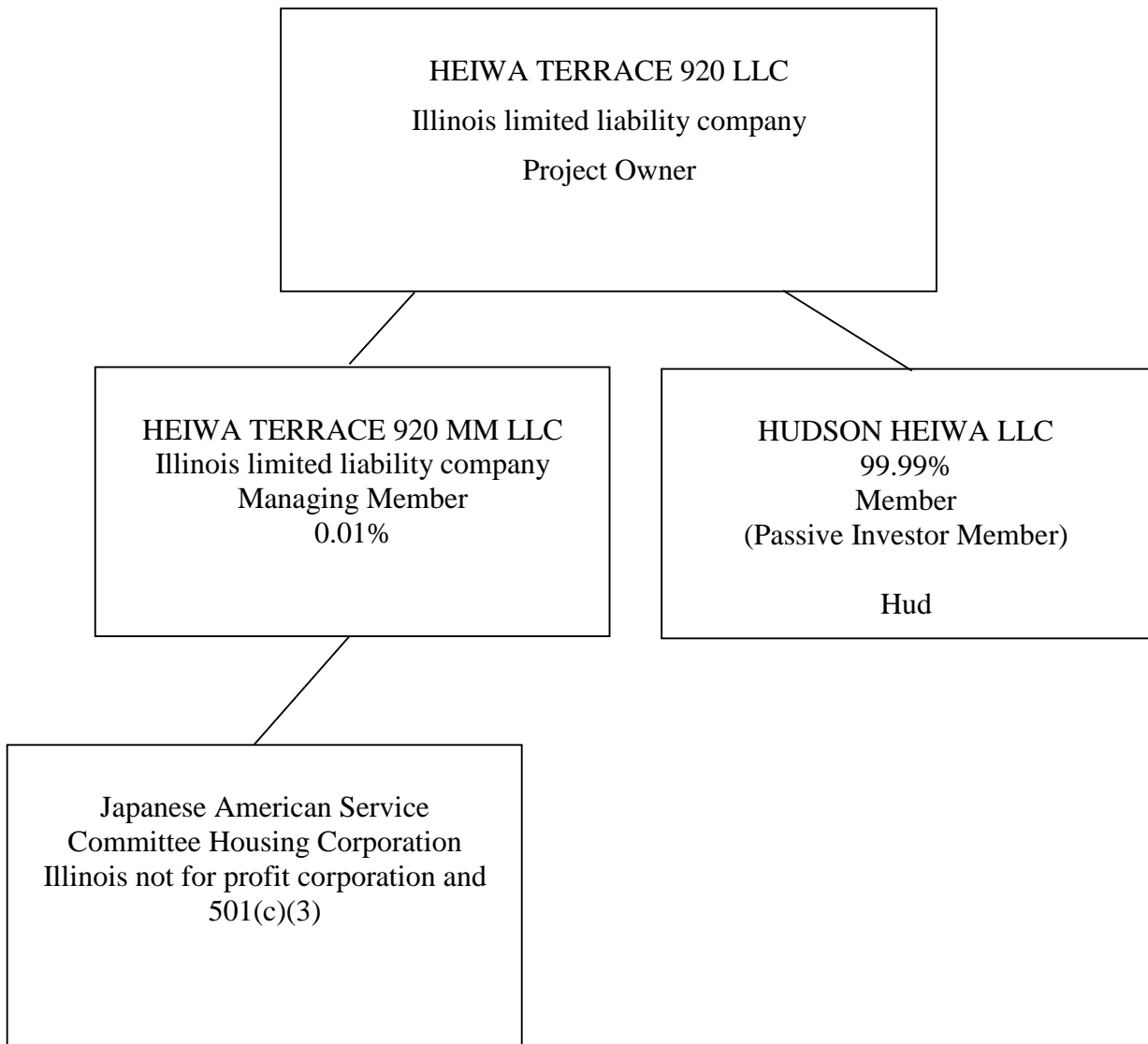
The proposed development involves private property within the Private Use Zone. The Applicant is a non-governmental entity.

12. To define and limit the powers and duties of the administrative body and officers as provided herein;

This purpose is not applicable to individual projects.

13. Nothing contained in the Lake Michigan and Chicago Lakefront Protection ordinance shall be deemed to be a waiver or consent, license or permit to use any property or to locate, construct, or maintain any building, structure or facility or to carry on any trade, industry, occupation or activity which may be otherwise required by law.

The Applicant acknowledges this purpose.



**CITY OF CHICAGO
ECONOMIC DISCLOSURE STATEMENT
AND AFFIDAVIT**

SECTION I -- GENERAL INFORMATION

A. Legal name of the Disclosing Party submitting this EDS. Include d/b/a/ if applicable:

Heiwa Terrace 920 LLC, an Illinois limited liability company

Check ONE of the following three boxes:

Indicate whether the Disclosing Party submitting this EDS is:

1. the Applicant

OR

2. a legal entity currently holding, or anticipated to hold within six months after City action on the contract, transaction or other undertaking to which this EDS pertains (referred to below as the "Matter"), a direct or indirect interest in excess of 7.5% in the Applicant. State the Applicant's legal name:

OR

3. a legal entity with a direct or indirect right of control of the Applicant (see Section II(B)(1))
State the legal name of the entity in which the Disclosing Party holds a right of control:

B. Business address of the Disclosing Party: 920 W. Lawrence Avenue
Chicago, IL 60640

C. Telephone: (773) 989-7333 Fax: (773) 989-8398 Email: suzuki@storefrontpropertiesinc.com

D. Name of contact person: John Suzuki

E. Federal Employer Identification No. (if you have one): 85-2148970

F. Brief description of the Matter to which this EDS pertains. (Include project number and location of property, if applicable):

Lake Michigan and Chicago Lakefront Protection Ordinance Approval - 920 W. Lawrence

G. Which City agency or department is requesting this EDS? Department of Planning and Development

If the Matter is a contract being handled by the City's Department of Procurement Services, please complete the following:

Specification # _____ and Contract # _____

SECTION II -- DISCLOSURE OF OWNERSHIP INTERESTS

A. NATURE OF THE DISCLOSING PARTY

1. Indicate the nature of the Disclosing Party:

- | | |
|---|---|
| <input type="checkbox"/> Person | <input checked="" type="checkbox"/> Limited liability company |
| <input type="checkbox"/> Publicly registered business corporation | <input type="checkbox"/> Limited liability partnership |
| <input type="checkbox"/> Privately held business corporation | <input type="checkbox"/> Joint venture |
| <input type="checkbox"/> Sole proprietorship | <input type="checkbox"/> Not-for-profit corporation |
| <input type="checkbox"/> General partnership | (Is the not-for-profit corporation also a 501(c)(3))? |
| <input type="checkbox"/> Limited partnership | <input type="checkbox"/> Yes <input type="checkbox"/> No |
| <input type="checkbox"/> Trust | <input type="checkbox"/> Other (please specify) |

2. For legal entities, the state (or foreign country) of incorporation or organization, if applicable:

Illinois

3. For legal entities not organized in the State of Illinois: Has the organization registered to do business in the State of Illinois as a foreign entity?

- Yes No Organized in Illinois

B. IF THE DISCLOSING PARTY IS A LEGAL ENTITY:

1. List below the full names and titles, if applicable, of: (i) all executive officers and all directors of the entity; (ii) **for not-for-profit corporations**, all members, if any, which are legal entities (if there are no such members, write "no members which are legal entities"); (iii) **for trusts, estates or other similar entities**, the trustee, executor, administrator, or similarly situated party; (iv) **for general or limited partnerships, limited liability companies, limited liability partnerships or joint ventures**, each general partner, managing member, manager or any other person or legal entity that directly or indirectly controls the day-to-day management of the Applicant.

NOTE: Each legal entity listed below must submit an EDS on its own behalf.

Name	Title
John Suzuki	President

2. Please provide the following information concerning each person or legal entity having a direct or indirect, current or prospective (i.e. within 6 months after City action) beneficial interest (including ownership) in excess of 7.5% of the Applicant. Examples of such an interest include shares in a corporation, partnership interest in a partnership or joint venture, interest of a member or manager in a

limited liability company, or interest of a beneficiary of a trust, estate or other similar entity. If none, state "None."

NOTE: Each legal entity listed below may be required to submit an EDS on its own behalf.

Name	Business Address	Percentage Interest in the Applicant
Hudson Heiwa LLC /	630 Fifth Ave., 28th Floor New York, New York 10111	/ 99.99%

SECTION III -- INCOME OR COMPENSATION TO, OR OWNERSHIP BY, CITY ELECTED OFFICIALS

Has the Disclosing Party provided any income or compensation to any City elected official during the 12-month period preceding the date of this EDS? Yes No

Does the Disclosing Party reasonably expect to provide any income or compensation to any City elected official during the 12-month period following the date of this EDS? Yes No

If "yes" to either of the above, please identify below the name(s) of such City elected official(s) and describe such income or compensation:

N/A

Does any City elected official or, to the best of the Disclosing Party's knowledge after reasonable inquiry, any City elected official's spouse or domestic partner, have a financial interest (as defined in Chapter 2-156 of the Municipal Code of Chicago ("MCC")) in the Disclosing Party?

Yes No

If "yes," please identify below the name(s) of such City elected official(s) and/or spouse(s)/domestic partner(s) and describe the financial interest(s).

N/A

SECTION IV -- DISCLOSURE OF SUBCONTRACTORS AND OTHER RETAINED PARTIES

The Disclosing Party must disclose the name and business address of each subcontractor, attorney, lobbyist (as defined in MCC Chapter 2-156), accountant, consultant and any other person or entity whom the Disclosing Party has retained or expects to retain in connection with the Matter, as well as the nature of the relationship, and the total amount of the fees paid or estimated to be paid. The Disclosing Party is not required to disclose employees who are paid solely through the Disclosing Party's regular payroll. If the Disclosing Party is uncertain whether a disclosure is required under this Section, the Disclosing Party must either ask the City whether disclosure is required or make the disclosure.

Name (indicate whether retained or anticipated to be retained)	Business Address	Relationship to Disclosing Party (subcontractor, attorney, lobbyist, etc.)	Fees (<u>indicate whether paid or estimated.</u>) NOTE: "hourly rate" or "t.b.d." is not an acceptable response.
--	------------------	--	---

Foley & Lardner / 321 N Clark St. #3000, Chicago, IL 60654 / Attorney / \$20,000

Landon Bone Baker / 1625 W Carroll Ave., Chicago, IL 60612 / Architect / \$10,000

(Add sheets if necessary)

Check here if the Disclosing Party has not retained, nor expects to retain, any such persons or entities.

SECTION V -- CERTIFICATIONS

A. COURT-ORDERED CHILD SUPPORT COMPLIANCE

Under MCC Section 2-92-415, substantial owners of business entities that contract with the City must remain in compliance with their child support obligations throughout the contract's term.

Has any person who directly or indirectly owns 10% or more of the Disclosing Party been declared in arrearage on any child support obligations by any Illinois court of competent jurisdiction?

Yes No No person directly or indirectly owns 10% or more of the Disclosing Party.

If "Yes," has the person entered into a court-approved agreement for payment of all support owed and is the person in compliance with that agreement?

Yes No

B. FURTHER CERTIFICATIONS

1. [This paragraph 1 applies only if the Matter is a contract being handled by the City's Department of Procurement Services.] In the 5-year period preceding the date of this EDS, neither the Disclosing Party nor any Affiliated Entity [see definition in (5) below] has engaged, in connection with the performance of any public contract, the services of an integrity monitor, independent private sector inspector general, or integrity compliance consultant (i.e., an individual or entity with legal, auditing, investigative, or other similar skills, designated by a public agency to help the agency monitor the activity of specified agency vendors as well as help the vendors reform their business practices so they can be considered for agency contracts in the future, or continue with a contract in progress).

2. The Disclosing Party and its Affiliated Entities are not delinquent in the payment of any fine, fee, tax or other source of indebtedness owed to the City of Chicago, including, but not limited to, water and sewer charges, license fees, parking tickets, property taxes and sales taxes, nor is the Disclosing Party delinquent in the payment of any tax administered by the Illinois Department of Revenue.

3. The Disclosing Party and, if the Disclosing Party is a legal entity, all of those persons or entities identified in Section II(B)(1) of this EDS:
- a. are not presently debarred, suspended, proposed for debarment, declared ineligible or voluntarily excluded from any transactions by any federal, state or local unit of government;
 - b. have not, during the 5 years before the date of this EDS, been convicted of a criminal offense, adjudged guilty, or had a civil judgment rendered against them in connection with: obtaining, attempting to obtain, or performing a public (federal, state or local) transaction or contract under a public transaction; a violation of federal or state antitrust statutes; fraud; embezzlement; theft; forgery; bribery; falsification or destruction of records; making false statements; or receiving stolen property;
 - c. are not presently indicted for, or criminally or civilly charged by, a governmental entity (federal, state or local) with committing any of the offenses set forth in subparagraph (b) above;
 - d. have not, during the 5 years before the date of this EDS, had one or more public transactions (federal, state or local) terminated for cause or default; and
 - e. have not, during the 5 years before the date of this EDS, been convicted, adjudged guilty, or found liable in a civil proceeding, or in any criminal or civil action, including actions concerning environmental violations, instituted by the City or by the federal government, any state, or any other unit of local government.
4. The Disclosing Party understands and shall comply with the applicable requirements of MCC Chapters 2-56 (Inspector General) and 2-156 (Governmental Ethics).
5. Certifications (5), (6) and (7) concern:
- the Disclosing Party;
 - any "Contractor" (meaning any contractor or subcontractor used by the Disclosing Party in connection with the Matter, including but not limited to all persons or legal entities disclosed under Section IV, "Disclosure of Subcontractors and Other Retained Parties");
 - any "Affiliated Entity" (meaning a person or entity that, directly or indirectly: controls the Disclosing Party, is controlled by the Disclosing Party, or is, with the Disclosing Party, under common control of another person or entity). Indicia of control include, without limitation: interlocking management or ownership; identity of interests among family members, shared facilities and equipment; common use of employees; or organization of a business entity following the ineligibility of a business entity to do business with federal or state or local government, including the City, using substantially the same management, ownership, or principals as the ineligible entity. With respect to Contractors, the term Affiliated Entity means a person or entity that directly or indirectly controls the Contractor, is controlled by it, or, with the Contractor, is under common control of another person or entity;
 - any responsible official of the Disclosing Party, any Contractor or any Affiliated Entity or any other official, agent or employee of the Disclosing Party, any Contractor or any Affiliated Entity, acting pursuant to the direction or authorization of a responsible official of the Disclosing Party, any Contractor or any Affiliated Entity (collectively "Agents").

Neither the Disclosing Party, nor any Contractor, nor any Affiliated Entity of either the Disclosing Party or any Contractor, nor any Agents have, during the 5 years before the date of this EDS, or, with respect to a Contractor, an Affiliated Entity, or an Affiliated Entity of a Contractor during the 5 years before the date of such Contractor's or Affiliated Entity's contract or engagement in connection with the Matter:

- a. bribed or attempted to bribe, or been convicted or adjudged guilty of bribery or attempting to bribe, a public officer or employee of the City, the State of Illinois, or any agency of the federal government or of any state or local government in the United States of America, in that officer's or employee's official capacity;
 - b. agreed or colluded with other bidders or prospective bidders, or been a party to any such agreement, or been convicted or adjudged guilty of agreement or collusion among bidders or prospective bidders, in restraint of freedom of competition by agreement to bid a fixed price or otherwise; or
 - c. made an admission of such conduct described in subparagraph (a) or (b) above that is a matter of record, but have not been prosecuted for such conduct; or
 - d. violated the provisions referenced in MCC Subsection 2-92-320(a)(4)(Contracts Requiring a Base Wage); (a)(5)(Debarment Regulations); or (a)(6)(Minimum Wage Ordinance).
6. Neither the Disclosing Party, nor any Affiliated Entity or Contractor, or any of their employees, officials, agents or partners, is barred from contracting with any unit of state or local government as a result of engaging in or being convicted of (1) bid-rigging in violation of 720 ILCS 5/33E-3; (2) bid-rotating in violation of 720 ILCS 5/33E-4; or (3) any similar offense of any state or of the United States of America that contains the same elements as the offense of bid-rigging or bid-rotating.
7. Neither the Disclosing Party nor any Affiliated Entity is listed on a Sanctions List maintained by the United States Department of Commerce, State, or Treasury, or any successor federal agency.
8. [FOR APPLICANT ONLY] (i) Neither the Applicant nor any "controlling person" [see MCC Chapter 1-23, Article I for applicability and defined terms] of the Applicant is currently indicted or charged with, or has admitted guilt of, or has ever been convicted of, or placed under supervision for, any criminal offense involving actual, attempted, or conspiracy to commit bribery, theft, fraud, forgery, perjury, dishonesty or deceit against an officer or employee of the City or any "sister agency"; and (ii) the Applicant understands and acknowledges that compliance with Article I is a continuing requirement for doing business with the City. NOTE: If MCC Chapter 1-23, Article I applies to the Applicant, that Article's permanent compliance timeframe supersedes 5-year compliance timeframes in this Section V.
9. [FOR APPLICANT ONLY] The Applicant and its Affiliated Entities will not use, nor permit their subcontractors to use, any facility listed as having an active exclusion by the U.S. EPA on the federal System for Award Management ("SAM").
10. [FOR APPLICANT ONLY] The Applicant will obtain from any contractors/subcontractors hired or to be hired in connection with the Matter certifications equal in form and substance to those in Certifications (2) and (9) above and will not, without the prior written consent of the City, use any such

contractor/subcontractor that does not provide such certifications or that the Applicant has reason to believe has not provided or cannot provide truthful certifications.

11. If the Disclosing Party is unable to certify to any of the above statements in this Part B (Further Certifications), the Disclosing Party must explain below:

None

If the letters "NA," the word "None," or no response appears on the lines above, it will be conclusively presumed that the Disclosing Party certified to the above statements.

12. To the best of the Disclosing Party's knowledge after reasonable inquiry, the following is a complete list of all current employees of the Disclosing Party who were, at any time during the 12-month period preceding the date of this EDS, an employee, or elected or appointed official, of the City of Chicago (if none, indicate with "N/A" or "none").

None

13. To the best of the Disclosing Party's knowledge after reasonable inquiry, the following is a complete list of all gifts that the Disclosing Party has given or caused to be given, at any time during the 12-month period preceding the execution date of this EDS, to an employee, or elected or appointed official, of the City of Chicago. For purposes of this statement, a "gift" does not include: (i) anything made generally available to City employees or to the general public, or (ii) food or drink provided in the course of official City business and having a retail value of less than \$25 per recipient, or (iii) a political contribution otherwise duly reported as required by law (if none, indicate with "N/A" or "none"). As to any gift listed below, please also list the name of the City recipient.

None

C. CERTIFICATION OF STATUS AS FINANCIAL INSTITUTION

1. The Disclosing Party certifies that the Disclosing Party (check one)

is

is not

a "financial institution" as defined in MCC Section 2-32-455(b).

2. If the Disclosing Party IS a financial institution, then the Disclosing Party pledges:

"We are not and will not become a predatory lender as defined in MCC Chapter 2-32. We further pledge that none of our affiliates is, and none of them will become, a predatory lender as defined in MCC Chapter 2-32. We understand that becoming a predatory lender or becoming an affiliate of a predatory lender may result in the loss of the privilege of doing business with the City."

If the Disclosing Party is unable to make this pledge because it or any of its affiliates (as defined in MCC Section 2-32-455(b)) is a predatory lender within the meaning of MCC Chapter 2-32, explain here (attach additional pages if necessary):

N/A

If the letters "NA," the word "None," or no response appears on the lines above, it will be conclusively presumed that the Disclosing Party certified to the above statements.

D. CERTIFICATION REGARDING FINANCIAL INTEREST IN CITY BUSINESS

Any words or terms defined in MCC Chapter 2-156 have the same meanings if used in this Part D.

1. In accordance with MCC Section 2-156-110: To the best of the Disclosing Party's knowledge after reasonable inquiry, does any official or employee of the City have a financial interest in his or her own name or in the name of any other person or entity in the Matter?

Yes

No

NOTE: If you checked "Yes" to Item D(1), proceed to Items D(2) and D(3). If you checked "No" to Item D(1), skip Items D(2) and D(3) and proceed to Part E.

2. Unless sold pursuant to a process of competitive bidding, or otherwise permitted, no City elected official or employee shall have a financial interest in his or her own name or in the name of any other person or entity in the purchase of any property that (i) belongs to the City, or (ii) is sold for taxes or assessments, or (iii) is sold by virtue of legal process at the suit of the City (collectively, "City Property Sale"). Compensation for property taken pursuant to the City's eminent domain power does not constitute a financial interest within the meaning of this Part D.

Does the Matter involve a City Property Sale?

Yes

No

3. If you checked "Yes" to Item D(1), provide the names and business addresses of the City officials or employees having such financial interest and identify the nature of the financial interest:

Name	Business Address	Nature of Financial Interest
<hr/>		
<hr/>		
<hr/>		

4. The Disclosing Party further certifies that no prohibited financial interest in the Matter will be acquired by any City official or employee.

E. CERTIFICATION REGARDING SLAVERY ERA BUSINESS

Please check either (1) or (2) below. If the Disclosing Party checks (2), the Disclosing Party must disclose below or in an attachment to this EDS all information required by (2). Failure to comply with these disclosure requirements may make any contract entered into with the City in connection with the Matter voidable by the City.

1. The Disclosing Party verifies that the Disclosing Party has searched any and all records of the Disclosing Party and any and all predecessor entities regarding records of investments or profits from slavery or slaveholder insurance policies during the slavery era (including insurance policies issued to slaveholders that provided coverage for damage to or injury or death of their slaves), and the Disclosing Party has found no such records.

2. The Disclosing Party verifies that, as a result of conducting the search in step (1) above, the Disclosing Party has found records of investments or profits from slavery or slaveholder insurance policies. The Disclosing Party verifies that the following constitutes full disclosure of all such records, including the names of any and all slaves or slaveholders described in those records:

SECTION VI -- CERTIFICATIONS FOR FEDERALLY FUNDED MATTERS

NOTE: If the Matter is federally funded, complete this Section VI. If the Matter is not federally funded, proceed to Section VII. For purposes of this Section VI, tax credits allocated by the City and proceeds of debt obligations of the City are not federal funding.

A. CERTIFICATION REGARDING LOBBYING

1. List below the names of all persons or entities registered under the federal Lobbying Disclosure Act of 1995, as amended, who have made lobbying contacts on behalf of the Disclosing Party with respect to the Matter: (Add sheets if necessary):

(If no explanation appears or begins on the lines above, or if the letters "NA" or if the word "None" appear, it will be conclusively presumed that the Disclosing Party means that NO persons or entities registered under the Lobbying Disclosure Act of 1995, as amended, have made lobbying contacts on behalf of the Disclosing Party with respect to the Matter.)

2. The Disclosing Party has not spent and will not expend any federally appropriated funds to pay any person or entity listed in paragraph A(1) above for his or her lobbying activities or to pay any person or entity to influence or attempt to influence an officer or employee of any agency, as defined by applicable federal law, a member of Congress, an officer or employee of Congress, or an employee

of a member of Congress, in connection with the award of any federally funded contract, making any federally funded grant or loan, entering into any cooperative agreement, or to extend, continue, renew, amend, or modify any federally funded contract, grant, loan, or cooperative agreement.

3. The Disclosing Party will submit an updated certification at the end of each calendar quarter in which there occurs any event that materially affects the accuracy of the statements and information set forth in paragraphs A(1) and A(2) above.

4. The Disclosing Party certifies that either: (i) it is not an organization described in section 501(c)(4) of the Internal Revenue Code of 1986; or (ii) it is an organization described in section 501(c)(4) of the Internal Revenue Code of 1986 but has not engaged and will not engage in "Lobbying Activities," as that term is defined in the Lobbying Disclosure Act of 1995, as amended.

5. If the Disclosing Party is the Applicant, the Disclosing Party must obtain certifications equal in form and substance to paragraphs A(1) through A(4) above from all subcontractors before it awards any subcontract and the Disclosing Party must maintain all such subcontractors' certifications for the duration of the Matter and must make such certifications promptly available to the City upon request.

B. CERTIFICATION REGARDING EQUAL EMPLOYMENT OPPORTUNITY

If the Matter is federally funded, federal regulations require the Applicant and all proposed subcontractors to submit the following information with their bids or in writing at the outset of negotiations.

Is the Disclosing Party the Applicant?

Yes

No

If "Yes," answer the three questions below:

1. Have you developed and do you have on file affirmative action programs pursuant to applicable federal regulations? (See 41 CFR Part 60-2.)

Yes

No

2. Have you filed with the Joint Reporting Committee, the Director of the Office of Federal Contract Compliance Programs, or the Equal Employment Opportunity Commission all reports due under the applicable filing requirements?

Yes

No

Reports not required

3. Have you participated in any previous contracts or subcontracts subject to the equal opportunity clause?

Yes

No

If you checked "No" to question (1) or (2) above, please provide an explanation:

SECTION VII -- FURTHER ACKNOWLEDGMENTS AND CERTIFICATION

The Disclosing Party understands and agrees that:

- A. The certifications, disclosures, and acknowledgments contained in this EDS will become part of any contract or other agreement between the Applicant and the City in connection with the Matter, whether procurement, City assistance, or other City action, and are material inducements to the City's execution of any contract or taking other action with respect to the Matter. The Disclosing Party understands that it must comply with all statutes, ordinances, and regulations on which this EDS is based.
- B. The City's Governmental Ethics Ordinance, MCC Chapter 2-156, imposes certain duties and obligations on persons or entities seeking City contracts, work, business, or transactions. The full text of this ordinance and a training program is available on line at www.cityofchicago.org/Ethics, and may also be obtained from the City's Board of Ethics, 740 N. Sedgwick St., Suite 500, Chicago, IL 60610, (312) 744-9660. The Disclosing Party must comply fully with this ordinance.
- C. If the City determines that any information provided in this EDS is false, incomplete or inaccurate, any contract or other agreement in connection with which it is submitted may be rescinded or be void or voidable, and the City may pursue any remedies under the contract or agreement (if not rescinded or void), at law, or in equity, including terminating the Disclosing Party's participation in the Matter and/or declining to allow the Disclosing Party to participate in other City transactions. Remedies at law for a false statement of material fact may include incarceration and an award to the City of treble damages.
- D. It is the City's policy to make this document available to the public on its Internet site and/or upon request. Some or all of the information provided in, and appended to, this EDS may be made publicly available on the Internet, in response to a Freedom of Information Act request, or otherwise. By completing and signing this EDS, the Disclosing Party waives and releases any possible rights or claims which it may have against the City in connection with the public release of information contained in this EDS and also authorizes the City to verify the accuracy of any information submitted in this EDS.
- E. The information provided in this EDS must be kept current. In the event of changes, the Disclosing Party must supplement this EDS up to the time the City takes action on the Matter. If the Matter is a contract being handled by the City's Department of Procurement Services, the Disclosing Party must update this EDS as the contract requires. **NOTE:** With respect to Matters subject to MCC Chapter 1-23, Article I (imposing **PERMANENT INELIGIBILITY** for certain specified offenses), the information provided herein regarding eligibility must be kept current for a longer period, as required by MCC Chapter 1-23 and Section 2-154-020.

CERTIFICATION

Under penalty of perjury, the person signing below: (1) warrants that he/she is authorized to execute this EDS, and all applicable Appendices, on behalf of the Disclosing Party, and (2) warrants that all certifications and statements contained in this EDS, and all applicable Appendices, are true, accurate and complete as of the date furnished to the City.

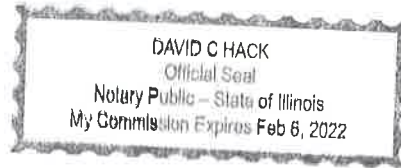
Heiwa Terrace 920 LLC

(Print or type exact legal name of Disclosing Party)

By: *John Suzuki*
(Sign here)

John Suzuki
(Print or type name of person signing)

President
(Print or type title of person signing)



Signed and sworn to before me on (date) October 7, 2020

at COOK County, ILLINOIS (state).

David C. Hack
Notary Public

Commission expires: 02/06/2022

**CITY OF CHICAGO
ECONOMIC DISCLOSURE STATEMENT AND AFFIDAVIT
APPENDIX A**

**FAMILIAL RELATIONSHIPS WITH ELECTED CITY OFFICIALS
AND DEPARTMENT HEADS**

This Appendix is to be completed only by (a) the Applicant, and (b) any legal entity which has a direct ownership interest in the Applicant exceeding 7.5%. It is not to be completed by any legal entity which has only an indirect ownership interest in the Applicant.

Under MCC Section 2-154-015, the Disclosing Party must disclose whether such Disclosing Party or any "Applicable Party" or any Spouse or Domestic Partner thereof currently has a "familial relationship" with any elected city official or department head. A "familial relationship" exists if, as of the date this EDS is signed, the Disclosing Party or any "Applicable Party" or any Spouse or Domestic Partner thereof is related to the mayor, any alderman, the city clerk, the city treasurer or any city department head as spouse or domestic partner or as any of the following, whether by blood or adoption: parent, child, brother or sister, aunt or uncle, niece or nephew, grandparent, grandchild, father-in-law, mother-in-law, son-in-law, daughter-in-law, stepfather or stepmother, stepson or stepdaughter, stepbrother or stepsister or half-brother or half-sister.

"Applicable Party" means (1) all executive officers of the Disclosing Party listed in Section II.B.1.a., if the Disclosing Party is a corporation; all partners of the Disclosing Party, if the Disclosing Party is a general partnership; all general partners and limited partners of the Disclosing Party, if the Disclosing Party is a limited partnership; all managers, managing members and members of the Disclosing Party, if the Disclosing Party is a limited liability company; (2) all principal officers of the Disclosing Party; and (3) any person having more than a 7.5% ownership interest in the Disclosing Party. "Principal officers" means the president, chief operating officer, executive director, chief financial officer, treasurer or secretary of a legal entity or any person exercising similar authority.

Does the Disclosing Party or any "Applicable Party" or any Spouse or Domestic Partner thereof currently have a "familial relationship" with an elected city official or department head?

Yes

No

If yes, please identify below (1) the name and title of such person, (2) the name of the legal entity to which such person is connected; (3) the name and title of the elected city official or department head to whom such person has a familial relationship, and (4) the precise nature of such familial relationship.

N/A

**CITY OF CHICAGO
ECONOMIC DISCLOSURE STATEMENT AND AFFIDAVIT
APPENDIX B**

BUILDING CODE SCOFFLAW/PROBLEM LANDLORD CERTIFICATION

This Appendix is to be completed only by (a) the Applicant, and (b) any legal entity which has a direct ownership interest in the Applicant exceeding 7.5% (an "Owner"). It is not to be completed by any legal entity which has only an indirect ownership interest in the Applicant.

1. Pursuant to MCC Section 2-154-010, is the Applicant or any Owner identified as a building code scofflaw or problem landlord pursuant to MCC Section 2-92-416?

Yes

No

2. If the Applicant is a legal entity publicly traded on any exchange, is any officer or director of the Applicant identified as a building code scofflaw or problem landlord pursuant to MCC Section 2-92-416?

Yes

No

The Applicant is not publicly traded on any exchange.

3. If yes to (1) or (2) above, please identify below the name of each person or legal entity identified as a building code scofflaw or problem landlord and the address of each building or buildings to which the pertinent code violations apply.

N/A

**CITY OF CHICAGO
ECONOMIC DISCLOSURE STATEMENT AND AFFIDAVIT
APPENDIX C**

PROHIBITION ON WAGE & SALARY HISTORY SCREENING - CERTIFICATION

This Appendix is to be completed only by an Applicant that is completing this EDS as a “contractor” as defined in MCC Section 2-92-385. That section, which should be consulted (www.amlegal.com), generally covers a party to any agreement pursuant to which they: (i) receive City of Chicago funds in consideration for services, work or goods provided (including for legal or other professional services), or (ii) pay the City money for a license, grant or concession allowing them to conduct a business on City premises.

On behalf of an Applicant that is a contractor pursuant to MCC Section 2-92-385, I hereby certify that the Applicant is in compliance with MCC Section 2-92-385(b)(1) and (2), which prohibit: (i) screening job applicants based on their wage or salary history, or (ii) seeking job applicants’ wage or salary history from current or former employers. I also certify that the Applicant has adopted a policy that includes those prohibitions.

Yes

No

N/A – I am not an Applicant that is a “contractor” as defined in MCC Section 2-92-385.

This certification shall serve as the affidavit required by MCC Section 2-92-385(c)(1).

If you checked “no” to the above, please explain.

**CITY OF CHICAGO
ECONOMIC DISCLOSURE STATEMENT
AND AFFIDAVIT**

SECTION I -- GENERAL INFORMATION

A. Legal name of the Disclosing Party submitting this EDS. Include d/b/a/ if applicable:

Japanese American Service Committee Housing Corporation, an Illinois not-for-profit corporation

Check ONE of the following three boxes:

Indicate whether the Disclosing Party submitting this EDS is:

1. the Applicant

OR

2. a legal entity currently holding, or anticipated to hold within six months after City action on the contract, transaction or other undertaking to which this EDS pertains (referred to below as the "Matter"), a direct or indirect interest in excess of 7.5% in the Applicant. State the Applicant's legal name: Heiwa Terrace 920 LLC

OR

3. a legal entity with a direct or indirect right of control of the Applicant (see Section II(B)(1))
State the legal name of the entity in which the Disclosing Party holds a right of control:

B. Business address of the Disclosing Party: 920 W. Lawrence Avenue

Chicago, IL 60640

C. Telephone: (773) 989-7333 Fax: (773) 989-8398 Email: suzuki@storefrontpropertiesinc.com

D. Name of contact person: John Suzuki

E. Federal Employer Identification No. (if you have one): 36-2939746

F. Brief description of the Matter to which this EDS pertains. (Include project number and location of property, if applicable):

Lake Michigan and Chicago Lakefront Protection Ordinance Approval - 920 W. Lawrence

G. Which City agency or department is requesting this EDS? Department of Planning and Development

If the Matter is a contract being handled by the City's Department of Procurement Services, please complete the following:

Specification # _____ and Contract # _____

SECTION II -- DISCLOSURE OF OWNERSHIP INTERESTS

A. NATURE OF THE DISCLOSING PARTY

1. Indicate the nature of the Disclosing Party:

- | | |
|---|---|
| <input type="checkbox"/> Person | <input type="checkbox"/> Limited liability company |
| <input type="checkbox"/> Publicly registered business corporation | <input type="checkbox"/> Limited liability partnership |
| <input type="checkbox"/> Privately held business corporation | <input type="checkbox"/> Joint venture |
| <input type="checkbox"/> Sole proprietorship | <input checked="" type="checkbox"/> Not-for-profit corporation |
| <input type="checkbox"/> General partnership | (Is the not-for-profit corporation also a 501(c)(3))? |
| <input type="checkbox"/> Limited partnership | <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No |
| <input type="checkbox"/> Trust | <input type="checkbox"/> Other (please specify) |

2. For legal entities, the state (or foreign country) of incorporation or organization, if applicable:

Illinois

3. For legal entities not organized in the State of Illinois: Has the organization registered to do business in the State of Illinois as a foreign entity?

- Yes No Organized in Illinois

B. IF THE DISCLOSING PARTY IS A LEGAL ENTITY:

1. List below the full names and titles, if applicable, of: (i) all executive officers and all directors of the entity; (ii) **for not-for-profit corporations**, all members, if any, which are legal entities (if there are no such members, write "no members which are legal entities"); (iii) **for trusts, estates or other similar entities**, the trustee, executor, administrator, or similarly situated party; (iv) **for general or limited partnerships, limited liability companies, limited liability partnerships or joint ventures**, each general partner, managing member, manager or any other person or legal entity that directly or indirectly controls the day-to-day management of the Applicant.

NOTE: Each legal entity listed below must submit an EDS on its own behalf.

Name	Title
no members which are legal entities	

2. Please provide the following information concerning each person or legal entity having a direct or indirect, current or prospective (i.e. within 6 months after City action) beneficial interest (including ownership) in excess of 7.5% of the Applicant. Examples of such an interest include shares in a corporation, partnership interest in a partnership or joint venture, interest of a member or manager in a

limited liability company, or interest of a beneficiary of a trust, estate or other similar entity. If none, state "None."

NOTE: Each legal entity listed below may be required to submit an EDS on its own behalf.

Name	Business Address	Percentage Interest in the Applicant
No person or legal entity has greater than 7.5% interest in the Disclosing Party		

SECTION III -- INCOME OR COMPENSATION TO, OR OWNERSHIP BY, CITY ELECTED OFFICIALS

Has the Disclosing Party provided any income or compensation to any City elected official during the 12-month period preceding the date of this EDS? Yes No

Does the Disclosing Party reasonably expect to provide any income or compensation to any City elected official during the 12-month period following the date of this EDS? Yes No

If "yes" to either of the above, please identify below the name(s) of such City elected official(s) and describe such income or compensation:
N/A

Does any City elected official or, to the best of the Disclosing Party's knowledge after reasonable inquiry, any City elected official's spouse or domestic partner, have a financial interest (as defined in Chapter 2-156 of the Municipal Code of Chicago ("MCC")) in the Disclosing Party?
 Yes No

If "yes," please identify below the name(s) of such City elected official(s) and/or spouse(s)/domestic partner(s) and describe the financial interest(s).
N/A

SECTION IV -- DISCLOSURE OF SUBCONTRACTORS AND OTHER RETAINED PARTIES

The Disclosing Party must disclose the name and business address of each subcontractor, attorney, lobbyist (as defined in MCC Chapter 2-156), accountant, consultant and any other person or entity whom the Disclosing Party has retained or expects to retain in connection with the Matter, as well as the nature of the relationship, and the total amount of the fees paid or estimated to be paid. The Disclosing Party is not required to disclose employees who are paid solely through the Disclosing Party's regular payroll. If the Disclosing Party is uncertain whether a disclosure is required under this Section, the Disclosing Party must either ask the City whether disclosure is required or make the disclosure.

Name (indicate whether retained or anticipated to be retained)	Business Address	Relationship to Disclosing Party (subcontractor, attorney, lobbyist, etc.)	Fees (<u>indicate whether paid or estimated.</u>) NOTE: "hourly rate" or "t.b.d." is not an acceptable response.
--	------------------	--	---

(Add sheets if necessary)

Check here if the Disclosing Party has not retained, nor expects to retain, any such persons or entities.

SECTION V -- CERTIFICATIONS

A. COURT-ORDERED CHILD SUPPORT COMPLIANCE

Under MCC Section 2-92-415, substantial owners of business entities that contract with the City must remain in compliance with their child support obligations throughout the contract's term.

Has any person who directly or indirectly owns 10% or more of the Disclosing Party been declared in arrearage on any child support obligations by any Illinois court of competent jurisdiction?

Yes No No person directly or indirectly owns 10% or more of the Disclosing Party.

If "Yes," has the person entered into a court-approved agreement for payment of all support owed and is the person in compliance with that agreement?

Yes No

B. FURTHER CERTIFICATIONS

1. [This paragraph 1 applies only if the Matter is a contract being handled by the City's Department of Procurement Services.] In the 5-year period preceding the date of this EDS, neither the Disclosing Party nor any Affiliated Entity [see definition in (5) below] has engaged, in connection with the performance of any public contract, the services of an integrity monitor, independent private sector inspector general, or integrity compliance consultant (i.e., an individual or entity with legal, auditing, investigative, or other similar skills, designated by a public agency to help the agency monitor the activity of specified agency vendors as well as help the vendors reform their business practices so they can be considered for agency contracts in the future, or continue with a contract in progress).

2. The Disclosing Party and its Affiliated Entities are not delinquent in the payment of any fine, fee, tax or other source of indebtedness owed to the City of Chicago, including, but not limited to, water and sewer charges, license fees, parking tickets, property taxes and sales taxes, nor is the Disclosing Party delinquent in the payment of any tax administered by the Illinois Department of Revenue.

3. The Disclosing Party and, if the Disclosing Party is a legal entity, all of those persons or entities identified in Section II(B)(1) of this EDS:

- a. are not presently debarred, suspended, proposed for debarment, declared ineligible or voluntarily excluded from any transactions by any federal, state or local unit of government;
- b. have not, during the 5 years before the date of this EDS, been convicted of a criminal offense, adjudged guilty, or had a civil judgment rendered against them in connection with: obtaining, attempting to obtain, or performing a public (federal, state or local) transaction or contract under a public transaction; a violation of federal or state antitrust statutes; fraud; embezzlement; theft; forgery; bribery; falsification or destruction of records; making false statements; or receiving stolen property;
- c. are not presently indicted for, or criminally or civilly charged by, a governmental entity (federal, state or local) with committing any of the offenses set forth in subparagraph (b) above;
- d. have not, during the 5 years before the date of this EDS, had one or more public transactions (federal, state or local) terminated for cause or default; and
- e. have not, during the 5 years before the date of this EDS, been convicted, adjudged guilty, or found liable in a civil proceeding, or in any criminal or civil action, including actions concerning environmental violations, instituted by the City or by the federal government, any state, or any other unit of local government.

4. The Disclosing Party understands and shall comply with the applicable requirements of MCC Chapters 2-56 (Inspector General) and 2-156 (Governmental Ethics).

5. Certifications (5), (6) and (7) concern:

- the Disclosing Party;
- any "Contractor" (meaning any contractor or subcontractor used by the Disclosing Party in connection with the Matter, including but not limited to all persons or legal entities disclosed under Section IV, "Disclosure of Subcontractors and Other Retained Parties");
- any "Affiliated Entity" (meaning a person or entity that, directly or indirectly: controls the Disclosing Party, is controlled by the Disclosing Party, or is, with the Disclosing Party, under common control of another person or entity). Indicia of control include, without limitation: interlocking management or ownership; identity of interests among family members, shared facilities and equipment; common use of employees; or organization of a business entity following the ineligibility of a business entity to do business with federal or state or local government, including the City, using substantially the same management, ownership, or principals as the ineligible entity. With respect to Contractors, the term Affiliated Entity means a person or entity that directly or indirectly controls the Contractor, is controlled by it, or, with the Contractor, is under common control of another person or entity;
- any responsible official of the Disclosing Party, any Contractor or any Affiliated Entity or any other official, agent or employee of the Disclosing Party, any Contractor or any Affiliated Entity, acting pursuant to the direction or authorization of a responsible official of the Disclosing Party, any Contractor or any Affiliated Entity (collectively "Agents").

Neither the Disclosing Party, nor any Contractor, nor any Affiliated Entity of either the Disclosing Party or any Contractor, nor any Agents have, during the 5 years before the date of this EDS, or, with respect to a Contractor, an Affiliated Entity, or an Affiliated Entity of a Contractor during the 5 years before the date of such Contractor's or Affiliated Entity's contract or engagement in connection with the Matter:

- a. bribed or attempted to bribe, or been convicted or adjudged guilty of bribery or attempting to bribe, a public officer or employee of the City, the State of Illinois, or any agency of the federal government or of any state or local government in the United States of America, in that officer's or employee's official capacity;
 - b. agreed or colluded with other bidders or prospective bidders, or been a party to any such agreement, or been convicted or adjudged guilty of agreement or collusion among bidders or prospective bidders, in restraint of freedom of competition by agreement to bid a fixed price or otherwise; or
 - c. made an admission of such conduct described in subparagraph (a) or (b) above that is a matter of record, but have not been prosecuted for such conduct; or
 - d. violated the provisions referenced in MCC Subsection 2-92-320(a)(4)(Contracts Requiring a Base Wage); (a)(5)(Debarment Regulations); or (a)(6)(Minimum Wage Ordinance).
6. Neither the Disclosing Party, nor any Affiliated Entity or Contractor, or any of their employees, officials, agents or partners, is barred from contracting with any unit of state or local government as a result of engaging in or being convicted of (1) bid-rigging in violation of 720 ILCS 5/33E-3; (2) bid-rotating in violation of 720 ILCS 5/33E-4; or (3) any similar offense of any state or of the United States of America that contains the same elements as the offense of bid-rigging or bid-rotating.
7. Neither the Disclosing Party nor any Affiliated Entity is listed on a Sanctions List maintained by the United States Department of Commerce, State, or Treasury, or any successor federal agency.
8. [FOR APPLICANT ONLY] (i) Neither the Applicant nor any "controlling person" [see MCC Chapter 1-23, Article I for applicability and defined terms] of the Applicant is currently indicted or charged with, or has admitted guilt of, or has ever been convicted of, or placed under supervision for, any criminal offense involving actual, attempted, or conspiracy to commit bribery, theft, fraud, forgery, perjury, dishonesty or deceit against an officer or employee of the City or any "sister agency"; and (ii) the Applicant understands and acknowledges that compliance with Article I is a continuing requirement for doing business with the City. NOTE: If MCC Chapter 1-23, Article I applies to the Applicant, that Article's permanent compliance timeframe supersedes 5-year compliance timeframes in this Section V.
9. [FOR APPLICANT ONLY] The Applicant and its Affiliated Entities will not use, nor permit their subcontractors to use, any facility listed as having an active exclusion by the U.S. EPA on the federal System for Award Management ("SAM").
10. [FOR APPLICANT ONLY] The Applicant will obtain from any contractors/subcontractors hired or to be hired in connection with the Matter certifications equal in form and substance to those in Certifications (2) and (9) above and will not, without the prior written consent of the City, use any such

contractor/subcontractor that does not provide such certifications or that the Applicant has reason to believe has not provided or cannot provide truthful certifications.

11. If the Disclosing Party is unable to certify to any of the above statements in this Part B (Further Certifications), the Disclosing Party must explain below:

None

If the letters "NA," the word "None," or no response appears on the lines above, it will be conclusively presumed that the Disclosing Party certified to the above statements.

12. To the best of the Disclosing Party's knowledge after reasonable inquiry, the following is a complete list of all current employees of the Disclosing Party who were, at any time during the 12-month period preceding the date of this EDS, an employee, or elected or appointed official, of the City of Chicago (if none, indicate with "N/A" or "none").

None

13. To the best of the Disclosing Party's knowledge after reasonable inquiry, the following is a complete list of all gifts that the Disclosing Party has given or caused to be given, at any time during the 12-month period preceding the execution date of this EDS, to an employee, or elected or appointed official, of the City of Chicago. For purposes of this statement, a "gift" does not include: (i) anything made generally available to City employees or to the general public, or (ii) food or drink provided in the course of official City business and having a retail value of less than \$25 per recipient, or (iii) a political contribution otherwise duly reported as required by law (if none, indicate with "N/A" or "none"). As to any gift listed below, please also list the name of the City recipient.

None

C. CERTIFICATION OF STATUS AS FINANCIAL INSTITUTION

1. The Disclosing Party certifies that the Disclosing Party (check one)

is

is not

a "financial institution" as defined in MCC Section 2-32-455(b).

2. If the Disclosing Party IS a financial institution, then the Disclosing Party pledges:

"We are not and will not become a predatory lender as defined in MCC Chapter 2-32. We further pledge that none of our affiliates is, and none of them will become, a predatory lender as defined in MCC Chapter 2-32. We understand that becoming a predatory lender or becoming an affiliate of a predatory lender may result in the loss of the privilege of doing business with the City."

If the Disclosing Party is unable to make this pledge because it or any of its affiliates (as defined in MCC Section 2-32-455(b)) is a predatory lender within the meaning of MCC Chapter 2-32, explain here (attach additional pages if necessary):

N/A

If the letters "NA," the word "None," or no response appears on the lines above, it will be conclusively presumed that the Disclosing Party certified to the above statements.

D. CERTIFICATION REGARDING FINANCIAL INTEREST IN CITY BUSINESS

Any words or terms defined in MCC Chapter 2-156 have the same meanings if used in this Part D.

1. In accordance with MCC Section 2-156-110: To the best of the Disclosing Party's knowledge after reasonable inquiry, does any official or employee of the City have a financial interest in his or her own name or in the name of any other person or entity in the Matter?

Yes

No

NOTE: If you checked "Yes" to Item D(1), proceed to Items D(2) and D(3). If you checked "No" to Item D(1), skip Items D(2) and D(3) and proceed to Part E.

2. Unless sold pursuant to a process of competitive bidding, or otherwise permitted, no City elected official or employee shall have a financial interest in his or her own name or in the name of any other person or entity in the purchase of any property that (i) belongs to the City, or (ii) is sold for taxes or assessments, or (iii) is sold by virtue of legal process at the suit of the City (collectively, "City Property Sale"). Compensation for property taken pursuant to the City's eminent domain power does not constitute a financial interest within the meaning of this Part D.

Does the Matter involve a City Property Sale?

Yes

No

3. If you checked "Yes" to Item D(1), provide the names and business addresses of the City officials or employees having such financial interest and identify the nature of the financial interest:

Name	Business Address	Nature of Financial Interest
<hr/>		
<hr/>		
<hr/>		

4. The Disclosing Party further certifies that no prohibited financial interest in the Matter will be acquired by any City official or employee.

E. CERTIFICATION REGARDING SLAVERY ERA BUSINESS

Please check either (1) or (2) below. If the Disclosing Party checks (2), the Disclosing Party must disclose below or in an attachment to this EDS all information required by (2). Failure to comply with these disclosure requirements may make any contract entered into with the City in connection with the Matter voidable by the City.

1. The Disclosing Party verifies that the Disclosing Party has searched any and all records of the Disclosing Party and any and all predecessor entities regarding records of investments or profits from slavery or slaveholder insurance policies during the slavery era (including insurance policies issued to slaveholders that provided coverage for damage to or injury or death of their slaves), and the Disclosing Party has found no such records.

2. The Disclosing Party verifies that, as a result of conducting the search in step (1) above, the Disclosing Party has found records of investments or profits from slavery or slaveholder insurance policies. The Disclosing Party verifies that the following constitutes full disclosure of all such records, including the names of any and all slaves or slaveholders described in those records:

SECTION VI -- CERTIFICATIONS FOR FEDERALLY FUNDED MATTERS

NOTE: If the Matter is federally funded, complete this Section VI. If the Matter is not federally funded, proceed to Section VII. For purposes of this Section VI, tax credits allocated by the City and proceeds of debt obligations of the City are not federal funding.

A. CERTIFICATION REGARDING LOBBYING

1. List below the names of all persons or entities registered under the federal Lobbying Disclosure Act of 1995, as amended, who have made lobbying contacts on behalf of the Disclosing Party with respect to the Matter: (Add sheets if necessary):

(If no explanation appears or begins on the lines above, or if the letters "NA" or if the word "None" appear, it will be conclusively presumed that the Disclosing Party means that NO persons or entities registered under the Lobbying Disclosure Act of 1995, as amended, have made lobbying contacts on behalf of the Disclosing Party with respect to the Matter.)

2. The Disclosing Party has not spent and will not expend any federally appropriated funds to pay any person or entity listed in paragraph A(1) above for his or her lobbying activities or to pay any person or entity to influence or attempt to influence an officer or employee of any agency, as defined by applicable federal law, a member of Congress, an officer or employee of Congress, or an employee

of a member of Congress, in connection with the award of any federally funded contract, making any federally funded grant or loan, entering into any cooperative agreement, or to extend, continue, renew, amend, or modify any federally funded contract, grant, loan, or cooperative agreement.

3. The Disclosing Party will submit an updated certification at the end of each calendar quarter in which there occurs any event that materially affects the accuracy of the statements and information set forth in paragraphs A(1) and A(2) above.

4. The Disclosing Party certifies that either: (i) it is not an organization described in section 501(c)(4) of the Internal Revenue Code of 1986; or (ii) it is an organization described in section 501(c)(4) of the Internal Revenue Code of 1986 but has not engaged and will not engage in "Lobbying Activities," as that term is defined in the Lobbying Disclosure Act of 1995, as amended.

5. If the Disclosing Party is the Applicant, the Disclosing Party must obtain certifications equal in form and substance to paragraphs A(1) through A(4) above from all subcontractors before it awards any subcontract and the Disclosing Party must maintain all such subcontractors' certifications for the duration of the Matter and must make such certifications promptly available to the City upon request.

B. CERTIFICATION REGARDING EQUAL EMPLOYMENT OPPORTUNITY

If the Matter is federally funded, federal regulations require the Applicant and all proposed subcontractors to submit the following information with their bids or in writing at the outset of negotiations.

Is the Disclosing Party the Applicant?

Yes

No

If "Yes," answer the three questions below:

1. Have you developed and do you have on file affirmative action programs pursuant to applicable federal regulations? (See 41 CFR Part 60-2.)

Yes

No

2. Have you filed with the Joint Reporting Committee, the Director of the Office of Federal Contract Compliance Programs, or the Equal Employment Opportunity Commission all reports due under the applicable filing requirements?

Yes

No

Reports not required

3. Have you participated in any previous contracts or subcontracts subject to the equal opportunity clause?

Yes

No

If you checked "No" to question (1) or (2) above, please provide an explanation:

SECTION VII -- FURTHER ACKNOWLEDGMENTS AND CERTIFICATION

The Disclosing Party understands and agrees that:

- A. The certifications, disclosures, and acknowledgments contained in this EDS will become part of any contract or other agreement between the Applicant and the City in connection with the Matter, whether procurement, City assistance, or other City action, and are material inducements to the City's execution of any contract or taking other action with respect to the Matter. The Disclosing Party understands that it must comply with all statutes, ordinances, and regulations on which this EDS is based.
- B. The City's Governmental Ethics Ordinance, MCC Chapter 2-156, imposes certain duties and obligations on persons or entities seeking City contracts, work, business, or transactions. The full text of this ordinance and a training program is available on line at www.cityofchicago.org/Ethics, and may also be obtained from the City's Board of Ethics, 740 N. Sedgwick St., Suite 500, Chicago, IL 60610, (312) 744-9660. The Disclosing Party must comply fully with this ordinance.
- C. If the City determines that any information provided in this EDS is false, incomplete or inaccurate, any contract or other agreement in connection with which it is submitted may be rescinded or be void or voidable, and the City may pursue any remedies under the contract or agreement (if not rescinded or void), at law, or in equity, including terminating the Disclosing Party's participation in the Matter and/or declining to allow the Disclosing Party to participate in other City transactions. Remedies at law for a false statement of material fact may include incarceration and an award to the City of treble damages.
- D. It is the City's policy to make this document available to the public on its Internet site and/or upon request. Some or all of the information provided in, and appended to, this EDS may be made publicly available on the Internet, in response to a Freedom of Information Act request, or otherwise. By completing and signing this EDS, the Disclosing Party waives and releases any possible rights or claims which it may have against the City in connection with the public release of information contained in this EDS and also authorizes the City to verify the accuracy of any information submitted in this EDS.
- E. The information provided in this EDS must be kept current. In the event of changes, the Disclosing Party must supplement this EDS up to the time the City takes action on the Matter. If the Matter is a contract being handled by the City's Department of Procurement Services, the Disclosing Party must update this EDS as the contract requires. **NOTE:** With respect to Matters subject to MCC Chapter 1-23, Article I (imposing **PERMANENT INELIGIBILITY** for certain specified offenses), the information provided herein regarding eligibility must be kept current for a longer period, as required by MCC Chapter 1-23 and Section 2-154-020.

CERTIFICATION

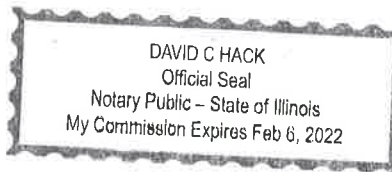
Under penalty of perjury, the person signing below: (1) warrants that he/she is authorized to execute this EDS, and all applicable Appendices, on behalf of the Disclosing Party, and (2) warrants that all certifications and statements contained in this EDS, and all applicable Appendices, are true, accurate and complete as of the date furnished to the City.

Japanese American Service Committee Housing Corporation
(Print or type exact legal name of Disclosing Party)

By: *[Signature]*
(Sign here)

John Suzuki
(Print or type name of person signing)

President
(Print or type title of person signing)



Signed and sworn to before me on (date) OCTOBER 7, 2020,

at COOK County, ILLINOIS (state).

David C. Hack
Notary Public

Commission expires: 02/06/2022

**CITY OF CHICAGO
ECONOMIC DISCLOSURE STATEMENT AND AFFIDAVIT
APPENDIX A**

**FAMILIAL RELATIONSHIPS WITH ELECTED CITY OFFICIALS
AND DEPARTMENT HEADS**

This Appendix is to be completed only by (a) the Applicant, and (b) any legal entity which has a direct ownership interest in the Applicant exceeding 7.5%. It is not to be completed by any legal entity which has only an indirect ownership interest in the Applicant.

Under MCC Section 2-154-015, the Disclosing Party must disclose whether such Disclosing Party or any "Applicable Party" or any Spouse or Domestic Partner thereof currently has a "familial relationship" with any elected city official or department head. A "familial relationship" exists if, as of the date this EDS is signed, the Disclosing Party or any "Applicable Party" or any Spouse or Domestic Partner thereof is related to the mayor, any alderman, the city clerk, the city treasurer or any city department head as spouse or domestic partner or as any of the following, whether by blood or adoption: parent, child, brother or sister, aunt or uncle, niece or nephew, grandparent, grandchild, father-in-law, mother-in-law, son-in-law, daughter-in-law, stepfather or stepmother, stepson or stepdaughter, stepbrother or stepsister or half-brother or half-sister.

"Applicable Party" means (1) all executive officers of the Disclosing Party listed in Section II.B.1.a., if the Disclosing Party is a corporation; all partners of the Disclosing Party, if the Disclosing Party is a general partnership; all general partners and limited partners of the Disclosing Party, if the Disclosing Party is a limited partnership; all managers, managing members and members of the Disclosing Party, if the Disclosing Party is a limited liability company; (2) all principal officers of the Disclosing Party; and (3) any person having more than a 7.5% ownership interest in the Disclosing Party. "Principal officers" means the president, chief operating officer, executive director, chief financial officer, treasurer or secretary of a legal entity or any person exercising similar authority.

Does the Disclosing Party or any "Applicable Party" or any Spouse or Domestic Partner thereof currently have a "familial relationship" with an elected city official or department head?

Yes

No

If yes, please identify below (1) the name and title of such person, (2) the name of the legal entity to which such person is connected; (3) the name and title of the elected city official or department head to whom such person has a familial relationship, and (4) the precise nature of such familial relationship.

N/A

**CITY OF CHICAGO
ECONOMIC DISCLOSURE STATEMENT AND AFFIDAVIT
APPENDIX B**

BUILDING CODE SCOFFLAW/PROBLEM LANDLORD CERTIFICATION

This Appendix is to be completed only by (a) the Applicant, and (b) any legal entity which has a direct ownership interest in the Applicant exceeding 7.5% (an "Owner"). It is not to be completed by any legal entity which has only an indirect ownership interest in the Applicant.

1. Pursuant to MCC Section 2-154-010, is the Applicant or any Owner identified as a building code scofflaw or problem landlord pursuant to MCC Section 2-92-416?

Yes

No

2. If the Applicant is a legal entity publicly traded on any exchange, is any officer or director of the Applicant identified as a building code scofflaw or problem landlord pursuant to MCC Section 2-92-416?

Yes

No

The Applicant is not publicly traded on any exchange.

3. If yes to (1) or (2) above, please identify below the name of each person or legal entity identified as a building code scofflaw or problem landlord and the address of each building or buildings to which the pertinent code violations apply.

N/A

**CITY OF CHICAGO
ECONOMIC DISCLOSURE STATEMENT AND AFFIDAVIT
APPENDIX C**

PROHIBITION ON WAGE & SALARY HISTORY SCREENING - CERTIFICATION

This Appendix is to be completed only by an Applicant that is completing this EDS as a “contractor” as defined in MCC Section 2-92-385. That section, which should be consulted (www.amlegal.com), generally covers a party to any agreement pursuant to which they: (i) receive City of Chicago funds in consideration for services, work or goods provided (including for legal or other professional services), or (ii) pay the City money for a license, grant or concession allowing them to conduct a business on City premises.

On behalf of an Applicant that is a contractor pursuant to MCC Section 2-92-385, I hereby certify that the Applicant is in compliance with MCC Section 2-92-385(b)(1) and (2), which prohibit: (i) screening job applicants based on their wage or salary history, or (ii) seeking job applicants’ wage or salary history from current or former employers. I also certify that the Applicant has adopted a policy that includes those prohibitions.

Yes

No

N/A – I am not an Applicant that is a “contractor” as defined in MCC Section 2-92-385.

This certification shall serve as the affidavit required by MCC Section 2-92-385(c)(1).

If you checked “no” to the above, please explain.

**CITY OF CHICAGO
ECONOMIC DISCLOSURE STATEMENT
AND AFFIDAVIT**

SECTION I -- GENERAL INFORMATION

A. Legal name of the Disclosing Party submitting this EDS. Include d/b/a/ if applicable:

HUDSON HEIWA LLC

Check ONE of the following three boxes:

Indicate whether the Disclosing Party submitting this EDS is:

1. the Applicant

OR

2. a legal entity currently holding, or anticipated to hold within six months after City action on the contract, transaction or other undertaking to which this EDS pertains (referred to below as the "Matter"), a direct or indirect interest in excess of 7.5% in the Applicant. State the Applicant's legal name: Heiwa Terrace 920 LLC

OR

3. a legal entity with a direct or indirect right of control of the Applicant (see Section II(B)(1))
State the legal name of the entity in which the Disclosing Party holds a right of control:

B. Business address of the Disclosing Party: 630 Fifth Avenue, 28th Floor

New York, New York 10111

C. Telephone: 212-218-4465 Fax: 212-218-4467 Email: bob.castano@hudsonhousing.com

D. Name of contact person: Robert J. Castano

E. Federal Employer Identification No. (if you have one): 85-3344448

F. Brief description of the Matter to which this EDS pertains. (Include project number and location of property, if applicable):

Lakefront Protection Approval - 920 W. Lawrence

G. Which City agency or department is requesting this EDS? Department of Planning and Development

If the Matter is a contract being handled by the City's Department of Procurement Services, please complete the following:

Specification # _____ and Contract # _____

SECTION II -- DISCLOSURE OF OWNERSHIP INTERESTS

A. NATURE OF THE DISCLOSING PARTY

1. Indicate the nature of the Disclosing Party:

- | | |
|---|---|
| <input type="checkbox"/> Person | <input checked="" type="checkbox"/> Limited liability company |
| <input type="checkbox"/> Publicly registered business corporation | <input type="checkbox"/> Limited liability partnership |
| <input type="checkbox"/> Privately held business corporation | <input type="checkbox"/> Joint venture |
| <input type="checkbox"/> Sole proprietorship | <input type="checkbox"/> Not-for-profit corporation |
| <input type="checkbox"/> General partnership | (Is the not-for-profit corporation also a 501(c)(3))? |
| <input type="checkbox"/> Limited partnership | <input type="checkbox"/> Yes <input type="checkbox"/> No |
| <input type="checkbox"/> Trust | <input type="checkbox"/> Other (please specify) |

2. For legal entities, the state (or foreign country) of incorporation or organization, if applicable:

Delaware

3. For legal entities not organized in the State of Illinois: Has the organization registered to do business in the State of Illinois as a foreign entity?

- Yes No Organized in Illinois

B. IF THE DISCLOSING PARTY IS A LEGAL ENTITY:

1. List below the full names and titles, if applicable, of: (i) all executive officers and all directors of the entity; (ii) **for not-for-profit corporations**, all members, if any, which are legal entities (if there are no such members, write "no members which are legal entities"); (iii) **for trusts, estates or other similar entities**, the trustee, executor, administrator, or similarly situated party; (iv) **for general or limited partnerships, limited liability companies, limited liability partnerships or joint ventures**, each general partner, managing member, manager or any other person or legal entity that directly or indirectly controls the day-to-day management of the Applicant.

NOTE: Each legal entity listed below must submit an EDS on its own behalf.

Name	Title
John Zeiler	Managing Director
Sam Ganeshan	Managing Director
Joseph A. Macari	Managing Director

2. Please provide the following information concerning each person or legal entity having a direct or indirect, current or prospective (i.e. within 6 months after City action) beneficial interest (including ownership) in excess of 7.5% of the Applicant. Examples of such an interest include shares in a corporation, partnership interest in a partnership or joint venture, interest of a member or manager in a

limited liability company, or interest of a beneficiary of a trust, estate or other similar entity. If none, state "None."

NOTE: Each legal entity listed below may be required to submit an EDS on its own behalf.

Name	Business Address	Percentage Interest in the Applicant
Hudson Housing Tax Credit Fund XCVIII LLC	630 Fifth Avenue, 28th FL, NY, NY 10111	100%

SECTION III -- INCOME OR COMPENSATION TO, OR OWNERSHIP BY, CITY ELECTED OFFICIALS

Has the Disclosing Party provided any income or compensation to any City elected official during the 12-month period preceding the date of this EDS? Yes No

Does the Disclosing Party reasonably expect to provide any income or compensation to any City elected official during the 12-month period following the date of this EDS? Yes No

If "yes" to either of the above, please identify below the name(s) of such City elected official(s) and describe such income or compensation:

Does any City elected official or, to the best of the Disclosing Party's knowledge after reasonable inquiry, any City elected official's spouse or domestic partner, have a financial interest (as defined in Chapter 2-156 of the Municipal Code of Chicago ("MCC")) in the Disclosing Party?

Yes No

If "yes," please identify below the name(s) of such City elected official(s) and/or spouse(s)/domestic partner(s) and describe the financial interest(s).

SECTION IV -- DISCLOSURE OF SUBCONTRACTORS AND OTHER RETAINED PARTIES

The Disclosing Party must disclose the name and business address of each subcontractor, attorney, lobbyist (as defined in MCC Chapter 2-156), accountant, consultant and any other person or entity whom the Disclosing Party has retained or expects to retain in connection with the Matter, as well as the nature of the relationship, and the total amount of the fees paid or estimated to be paid. The Disclosing Party is not required to disclose employees who are paid solely through the Disclosing Party's regular payroll. If the Disclosing Party is uncertain whether a disclosure is required under this Section, the Disclosing Party must either ask the City whether disclosure is required or make the disclosure.

Name (indicate whether retained or anticipated to be retained)	Business Address	Relationship to Disclosing Party (subcontractor, attorney, lobbyist, etc.)	Fees (indicate whether paid or estimated.) NOTE: "hourly rate" or "t.b.d." is not an acceptable response.
--	------------------	--	--

(Add sheets if necessary)

Check here if the Disclosing Party has not retained, nor expects to retain, any such persons or entities.

SECTION V -- CERTIFICATIONS

A. COURT-ORDERED CHILD SUPPORT COMPLIANCE

Under MCC Section 2-92-415, substantial owners of business entities that contract with the City must remain in compliance with their child support obligations throughout the contract's term.

Has any person who directly or indirectly owns 10% or more of the Disclosing Party been declared in arrearage on any child support obligations by any Illinois court of competent jurisdiction?

Yes No No person directly or indirectly owns 10% or more of the Disclosing Party.

If "Yes," has the person entered into a court-approved agreement for payment of all support owed and is the person in compliance with that agreement?

Yes No

B. FURTHER CERTIFICATIONS

1. [This paragraph 1 applies only if the Matter is a contract being handled by the City's Department of Procurement Services.] In the 5-year period preceding the date of this EDS, neither the Disclosing Party nor any Affiliated Entity [see definition in (5) below] has engaged, in connection with the performance of any public contract, the services of an integrity monitor, independent private sector inspector general, or integrity compliance consultant (i.e., an individual or entity with legal, auditing, investigative, or other similar skills, designated by a public agency to help the agency monitor the activity of specified agency vendors as well as help the vendors reform their business practices so they can be considered for agency contracts in the future, or continue with a contract in progress).

2. The Disclosing Party and its Affiliated Entities are not delinquent in the payment of any fine, fee, tax or other source of indebtedness owed to the City of Chicago, including, but not limited to, water and sewer charges, license fees, parking tickets, property taxes and sales taxes, nor is the Disclosing Party delinquent in the payment of any tax administered by the Illinois Department of Revenue.

3. The Disclosing Party and, if the Disclosing Party is a legal entity, all of those persons or entities identified in Section II(B)(1) of this EDS:

- a. are not presently debarred, suspended, proposed for debarment, declared ineligible or voluntarily excluded from any transactions by any federal, state or local unit of government;
- b. have not, during the 5 years before the date of this EDS, been convicted of a criminal offense, adjudged guilty, or had a civil judgment rendered against them in connection with: obtaining, attempting to obtain, or performing a public (federal, state or local) transaction or contract under a public transaction; a violation of federal or state antitrust statutes; fraud; embezzlement; theft; forgery; bribery; falsification or destruction of records; making false statements; or receiving stolen property;
- c. are not presently indicted for, or criminally or civilly charged by, a governmental entity (federal, state or local) with committing any of the offenses set forth in subparagraph (b) above;
- d. have not, during the 5 years before the date of this EDS, had one or more public transactions (federal, state or local) terminated for cause or default; and
- e. have not, during the 5 years before the date of this EDS, been convicted, adjudged guilty, or found liable in a civil proceeding, or in any criminal or civil action, including actions concerning environmental violations, instituted by the City or by the federal government, any state, or any other unit of local government.

4. The Disclosing Party understands and shall comply with the applicable requirements of MCC Chapters 2-56 (Inspector General) and 2-156 (Governmental Ethics).

5. Certifications (5), (6) and (7) concern:

- the Disclosing Party;
- any "Contractor" (meaning any contractor or subcontractor used by the Disclosing Party in connection with the Matter, including but not limited to all persons or legal entities disclosed under Section IV, "Disclosure of Subcontractors and Other Retained Parties");
- any "Affiliated Entity" (meaning a person or entity that, directly or indirectly: controls the Disclosing Party, is controlled by the Disclosing Party, or is, with the Disclosing Party, under common control of another person or entity). Indicia of control include, without limitation: interlocking management or ownership; identity of interests among family members, shared facilities and equipment; common use of employees; or organization of a business entity following the ineligibility of a business entity to do business with federal or state or local government, including the City, using substantially the same management, ownership, or principals as the ineligible entity. With respect to Contractors, the term Affiliated Entity means a person or entity that directly or indirectly controls the Contractor, is controlled by it, or, with the Contractor, is under common control of another person or entity;
- any responsible official of the Disclosing Party, any Contractor or any Affiliated Entity or any other official, agent or employee of the Disclosing Party, any Contractor or any Affiliated Entity, acting pursuant to the direction or authorization of a responsible official of the Disclosing Party, any Contractor or any Affiliated Entity (collectively "Agents").

Neither the Disclosing Party, nor any Contractor, nor any Affiliated Entity of either the Disclosing Party or any Contractor, nor any Agents have, during the 5 years before the date of this EDS, or, with respect to a Contractor, an Affiliated Entity, or an Affiliated Entity of a Contractor during the 5 years before the date of such Contractor's or Affiliated Entity's contract or engagement in connection with the Matter:

- a. bribed or attempted to bribe, or been convicted or adjudged guilty of bribery or attempting to bribe, a public officer or employee of the City, the State of Illinois, or any agency of the federal government or of any state or local government in the United States of America, in that officer's or employee's official capacity;
- b. agreed or colluded with other bidders or prospective bidders, or been a party to any such agreement, or been convicted or adjudged guilty of agreement or collusion among bidders or prospective bidders, in restraint of freedom of competition by agreement to bid a fixed price or otherwise; or
- c. made an admission of such conduct described in subparagraph (a) or (b) above that is a matter of record, but have not been prosecuted for such conduct; or
- d. violated the provisions referenced in MCC Subsection 2-92-320(a)(4)(Contracts Requiring a Base Wage); (a)(5)(Debarment Regulations); or (a)(6)(Minimum Wage Ordinance).

6. Neither the Disclosing Party, nor any Affiliated Entity or Contractor, or any of their employees, officials, agents or partners, is barred from contracting with any unit of state or local government as a result of engaging in or being convicted of (1) bid-rigging in violation of 720 ILCS 5/33E-3; (2) bid-rotating in violation of 720 ILCS 5/33E-4; or (3) any similar offense of any state or of the United States of America that contains the same elements as the offense of bid-rigging or bid-rotating.

7. Neither the Disclosing Party nor any Affiliated Entity is listed on a Sanctions List maintained by the United States Department of Commerce, State, or Treasury, or any successor federal agency.

8. [FOR APPLICANT ONLY] (i) Neither the Applicant nor any "controlling person" [see MCC Chapter 1-23, Article I for applicability and defined terms] of the Applicant is currently indicted or charged with, or has admitted guilt of, or has ever been convicted of, or placed under supervision for, any criminal offense involving actual, attempted, or conspiracy to commit bribery, theft, fraud, forgery, perjury, dishonesty or deceit against an officer or employee of the City or any "sister agency"; and (ii) the Applicant understands and acknowledges that compliance with Article I is a continuing requirement for doing business with the City. NOTE: If MCC Chapter 1-23, Article I applies to the Applicant, that Article's permanent compliance timeframe supersedes 5-year compliance timeframes in this Section V.

9. [FOR APPLICANT ONLY] The Applicant and its Affiliated Entities will not use, nor permit their subcontractors to use, any facility listed as having an active exclusion by the U.S. EPA on the federal System for Award Management ("SAM").

10. [FOR APPLICANT ONLY] The Applicant will obtain from any contractors/subcontractors hired or to be hired in connection with the Matter certifications equal in form and substance to those in Certifications (2) and (9) above and will not, without the prior written consent of the City, use any such

contractor/subcontractor that does not provide such certifications or that the Applicant has reason to believe has not provided or cannot provide truthful certifications.

11. If the Disclosing Party is unable to certify to any of the above statements in this Part B (Further Certifications), the Disclosing Party must explain below:

NONE

If the letters "NA," the word "None," or no response appears on the lines above, it will be conclusively presumed that the Disclosing Party certified to the above statements.

12. To the best of the Disclosing Party's knowledge after reasonable inquiry, the following is a complete list of all current employees of the Disclosing Party who were, at any time during the 12-month period preceding the date of this EDS, an employee, or elected or appointed official, of the City of Chicago (if none, indicate with "N/A" or "none").

NONE

13. To the best of the Disclosing Party's knowledge after reasonable inquiry, the following is a complete list of all gifts that the Disclosing Party has given or caused to be given, at any time during the 12-month period preceding the execution date of this EDS, to an employee, or elected or appointed official, of the City of Chicago. For purposes of this statement, a "gift" does not include: (i) anything made generally available to City employees or to the general public, or (ii) food or drink provided in the course of official City business and having a retail value of less than \$25 per recipient, or (iii) a political contribution otherwise duly reported as required by law (if none, indicate with "N/A" or "none"). As to any gift listed below, please also list the name of the City recipient.

None

C. CERTIFICATION OF STATUS AS FINANCIAL INSTITUTION

1. The Disclosing Party certifies that the Disclosing Party (check one)

is is not

a "financial institution" as defined in MCC Section 2-32-455(b).

2. If the Disclosing Party IS a financial institution, then the Disclosing Party pledges:

"We are not and will not become a predatory lender as defined in MCC Chapter 2-32. We further pledge that none of our affiliates is, and none of them will become, a predatory lender as defined in MCC Chapter 2-32. We understand that becoming a predatory lender or becoming an affiliate of a predatory lender may result in the loss of the privilege of doing business with the City."

If the Disclosing Party is unable to make this pledge because it or any of its affiliates (as defined in MCC Section 2-32-455(b)) is a predatory lender within the meaning of MCC Chapter 2-32, explain here (attach additional pages if necessary):

If the letters "NA," the word "None," or no response appears on the lines above, it will be conclusively presumed that the Disclosing Party certified to the above statements.

D. CERTIFICATION REGARDING FINANCIAL INTEREST IN CITY BUSINESS

Any words or terms defined in MCC Chapter 2-156 have the same meanings if used in this Part D.

1. In accordance with MCC Section 2-156-110: To the best of the Disclosing Party's knowledge after reasonable inquiry, does any official or employee of the City have a financial interest in his or her own name or in the name of any other person or entity in the Matter?

Yes No

NOTE: If you checked "Yes" to Item D(1), proceed to Items D(2) and D(3). If you checked "No" to Item D(1), skip Items D(2) and D(3) and proceed to Part E.

2. Unless sold pursuant to a process of competitive bidding, or otherwise permitted, no City elected official or employee shall have a financial interest in his or her own name or in the name of any other person or entity in the purchase of any property that (i) belongs to the City, or (ii) is sold for taxes or assessments, or (iii) is sold by virtue of legal process at the suit of the City (collectively, "City Property Sale"). Compensation for property taken pursuant to the City's eminent domain power does not constitute a financial interest within the meaning of this Part D.

Does the Matter involve a City Property Sale?

Yes No

3. If you checked "Yes" to Item D(1), provide the names and business addresses of the City officials or employees having such financial interest and identify the nature of the financial interest:

Name	Business Address	Nature of Financial Interest
_____	_____	_____
_____	_____	_____
_____	_____	_____

4. The Disclosing Party further certifies that no prohibited financial interest in the Matter will be acquired by any City official or employee.

E. CERTIFICATION REGARDING SLAVERY ERA BUSINESS

Please check either (1) or (2) below. If the Disclosing Party checks (2), the Disclosing Party must disclose below or in an attachment to this EDS all information required by (2). Failure to comply with these disclosure requirements may make any contract entered into with the City in connection with the Matter voidable by the City.

1. The Disclosing Party verifies that the Disclosing Party has searched any and all records of the Disclosing Party and any and all predecessor entities regarding records of investments or profits from slavery or slaveholder insurance policies during the slavery era (including insurance policies issued to slaveholders that provided coverage for damage to or injury or death of their slaves), and the Disclosing Party has found no such records.

2. The Disclosing Party verifies that, as a result of conducting the search in step (1) above, the Disclosing Party has found records of investments or profits from slavery or slaveholder insurance policies. The Disclosing Party verifies that the following constitutes full disclosure of all such records, including the names of any and all slaves or slaveholders described in those records:

SECTION VI -- CERTIFICATIONS FOR FEDERALLY FUNDED MATTERS

NOTE: If the Matter is federally funded, complete this Section VI. If the Matter is not federally funded, proceed to Section VII. For purposes of this Section VI, tax credits allocated by the City and proceeds of debt obligations of the City are not federal funding.

A. CERTIFICATION REGARDING LOBBYING

1. List below the names of all persons or entities registered under the federal Lobbying Disclosure Act of 1995, as amended, who have made lobbying contacts on behalf of the Disclosing Party with respect to the Matter: (Add sheets if necessary):

(If no explanation appears or begins on the lines above, or if the letters "NA" or if the word "None" appear, it will be conclusively presumed that the Disclosing Party means that NO persons or entities registered under the Lobbying Disclosure Act of 1995, as amended, have made lobbying contacts on behalf of the Disclosing Party with respect to the Matter.)

2. The Disclosing Party has not spent and will not expend any federally appropriated funds to pay any person or entity listed in paragraph A(1) above for his or her lobbying activities or to pay any person or entity to influence or attempt to influence an officer or employee of any agency, as defined by applicable federal law, a member of Congress, an officer or employee of Congress, or an employee

of a member of Congress, in connection with the award of any federally funded contract, making any federally funded grant or loan, entering into any cooperative agreement, or to extend, continue, renew, amend, or modify any federally funded contract, grant, loan, or cooperative agreement.

3. The Disclosing Party will submit an updated certification at the end of each calendar quarter in which there occurs any event that materially affects the accuracy of the statements and information set forth in paragraphs A(1) and A(2) above.

4. The Disclosing Party certifies that either: (i) it is not an organization described in section 501(c)(4) of the Internal Revenue Code of 1986; or (ii) it is an organization described in section 501(c)(4) of the Internal Revenue Code of 1986 but has not engaged and will not engage in "Lobbying Activities," as that term is defined in the Lobbying Disclosure Act of 1995, as amended.

5. If the Disclosing Party is the Applicant, the Disclosing Party must obtain certifications equal in form and substance to paragraphs A(1) through A(4) above from all subcontractors before it awards any subcontract and the Disclosing Party must maintain all such subcontractors' certifications for the duration of the Matter and must make such certifications promptly available to the City upon request.

B. CERTIFICATION REGARDING EQUAL EMPLOYMENT OPPORTUNITY

If the Matter is federally funded, federal regulations require the Applicant and all proposed subcontractors to submit the following information with their bids or in writing at the outset of negotiations.

Is the Disclosing Party the Applicant?

Yes

No

If "Yes," answer the three questions below:

1. Have you developed and do you have on file affirmative action programs pursuant to applicable federal regulations? (See 41 CFR Part 60-2.)

Yes

No

2. Have you filed with the Joint Reporting Committee, the Director of the Office of Federal Contract Compliance Programs, or the Equal Employment Opportunity Commission all reports due under the applicable filing requirements?

Yes

No

Reports not required

3. Have you participated in any previous contracts or subcontracts subject to the equal opportunity clause?

Yes

No

If you checked "No" to question (1) or (2) above, please provide an explanation:

SECTION VII -- FURTHER ACKNOWLEDGMENTS AND CERTIFICATION

The Disclosing Party understands and agrees that:

A. The certifications, disclosures, and acknowledgments contained in this EDS will become part of any contract or other agreement between the Applicant and the City in connection with the Matter, whether procurement, City assistance, or other City action, and are material inducements to the City's execution of any contract or taking other action with respect to the Matter. The Disclosing Party understands that it must comply with all statutes, ordinances, and regulations on which this EDS is based.

B. The City's Governmental Ethics Ordinance, MCC Chapter 2-156, imposes certain duties and obligations on persons or entities seeking City contracts, work, business, or transactions. The full text of this ordinance and a training program is available on line at www.cityofchicago.org/Ethics, and may also be obtained from the City's Board of Ethics, 740 N. Sedgwick St., Suite 500, Chicago, IL 60610, (312) 744-9660. The Disclosing Party must comply fully with this ordinance.

C. If the City determines that any information provided in this EDS is false, incomplete or inaccurate, any contract or other agreement in connection with which it is submitted may be rescinded or be void or voidable, and the City may pursue any remedies under the contract or agreement (if not rescinded or void), at law, or in equity, including terminating the Disclosing Party's participation in the Matter and/or declining to allow the Disclosing Party to participate in other City transactions. Remedies at law for a false statement of material fact may include incarceration and an award to the City of treble damages.

D. It is the City's policy to make this document available to the public on its Internet site and/or upon request. Some or all of the information provided in, and appended to, this EDS may be made publicly available on the Internet, in response to a Freedom of Information Act request, or otherwise. By completing and signing this EDS, the Disclosing Party waives and releases any possible rights or claims which it may have against the City in connection with the public release of information contained in this EDS and also authorizes the City to verify the accuracy of any information submitted in this EDS.

E. The information provided in this EDS must be kept current. In the event of changes, the Disclosing Party must supplement this EDS up to the time the City takes action on the Matter. If the Matter is a contract being handled by the City's Department of Procurement Services, the Disclosing Party must update this EDS as the contract requires. **NOTE:** With respect to Matters subject to MCC Chapter 1-23, Article I (imposing **PERMANENT INELIGIBILITY** for certain specified offenses), the information provided herein regarding eligibility must be kept current for a longer period, as required by MCC Chapter 1-23 and Section 2-154-020.

CERTIFICATION

Under penalty of perjury, the person signing below: (1) warrants that he/she is authorized to execute this EDS, and all applicable Appendices, on behalf of the Disclosing Party, and (2) warrants that all certifications and statements contained in this EDS, and all applicable Appendices, are true, accurate and complete as of the date furnished to the City.

Hudson Heiwa LLC

(Print or type exact legal name of Disclosing Party)

By: _____

(Sign here)

Robert J. Castano

(Print or type name of person signing)

Authorized Signatory

(Print or type title of person signing)

Signed and sworn to before me on (date) October 9, 2020,

at New York County, New York (state).

Notary Public

Commission expires: _____

C. PAEK
Notary Public, State of New York
No. 01PA6231480
Qualified in New York County
Commission Expires Dec 1, 2022

**CITY OF CHICAGO
ECONOMIC DISCLOSURE STATEMENT AND AFFIDAVIT
APPENDIX A**

**FAMILIAL RELATIONSHIPS WITH ELECTED CITY OFFICIALS
AND DEPARTMENT HEADS**

This Appendix is to be completed only by (a) the Applicant, and (b) any legal entity which has a direct ownership interest in the Applicant exceeding 7.5%. It is not to be completed by any legal entity which has only an indirect ownership interest in the Applicant.

Under MCC Section 2-154-015, the Disclosing Party must disclose whether such Disclosing Party or any "Applicable Party" or any Spouse or Domestic Partner thereof currently has a "familial relationship" with any elected city official or department head. A "familial relationship" exists if, as of the date this EDS is signed, the Disclosing Party or any "Applicable Party" or any Spouse or Domestic Partner thereof is related to the mayor, any alderman, the city clerk, the city treasurer or any city department head as spouse or domestic partner or as any of the following, whether by blood or adoption: parent, child, brother or sister, aunt or uncle, niece or nephew, grandparent, grandchild, father-in-law, mother-in-law, son-in-law, daughter-in-law, stepfather or stepmother, stepson or stepdaughter, stepbrother or stepsister or half-brother or half-sister.

"Applicable Party" means (1) all executive officers of the Disclosing Party listed in Section II.B.1.a., if the Disclosing Party is a corporation; all partners of the Disclosing Party, if the Disclosing Party is a general partnership; all general partners and limited partners of the Disclosing Party, if the Disclosing Party is a limited partnership; all managers, managing members and members of the Disclosing Party, if the Disclosing Party is a limited liability company; (2) all principal officers of the Disclosing Party; and (3) any person having more than a 7.5% ownership interest in the Disclosing Party. "Principal officers" means the president, chief operating officer, executive director, chief financial officer, treasurer or secretary of a legal entity or any person exercising similar authority.

Does the Disclosing Party or any "Applicable Party" or any Spouse or Domestic Partner thereof currently have a "familial relationship" with an elected city official or department head?

Yes

No

If yes, please identify below (1) the name and title of such person, (2) the name of the legal entity to which such person is connected; (3) the name and title of the elected city official or department head to whom such person has a familial relationship, and (4) the precise nature of such familial relationship.

**CITY OF CHICAGO
ECONOMIC DISCLOSURE STATEMENT AND AFFIDAVIT
APPENDIX B**

BUILDING CODE SCOFFLAW/PROBLEM LANDLORD CERTIFICATION

This Appendix is to be completed only by (a) the Applicant, and (b) any legal entity which has a direct ownership interest in the Applicant exceeding 7.5% (an "Owner"). It is not to be completed by any legal entity which has only an indirect ownership interest in the Applicant.

1. Pursuant to MCC Section 2-154-010, is the Applicant or any Owner identified as a building code scofflaw or problem landlord pursuant to MCC Section 2-92-416?

Yes

No

2. If the Applicant is a legal entity publicly traded on any exchange, is any officer or director of the Applicant identified as a building code scofflaw or problem landlord pursuant to MCC Section 2-92-416?

Yes

No

The Applicant is not publicly traded on any exchange.

3. If yes to (1) or (2) above, please identify below the name of each person or legal entity identified as a building code scofflaw or problem landlord and the address of each building or buildings to which the pertinent code violations apply.

**CITY OF CHICAGO
ECONOMIC DISCLOSURE STATEMENT AND AFFIDAVIT
APPENDIX C**

PROHIBITION ON WAGE & SALARY HISTORY SCREENING - CERTIFICATION

This Appendix is to be completed only by an Applicant that is completing this EDS as a “contractor” as defined in MCC Section 2-92-385. That section, which should be consulted (www.amlegal.com), generally covers a party to any agreement pursuant to which they: (i) receive City of Chicago funds in consideration for services, work or goods provided (including for legal or other professional services), or (ii) pay the City money for a license, grant or concession allowing them to conduct a business on City premises.

On behalf of an Applicant that is a contractor pursuant to MCC Section 2-92-385, I hereby certify that the Applicant is in compliance with MCC Section 2-92-385(b)(1) and (2), which prohibit: (i) screening job applicants based on their wage or salary history, or (ii) seeking job applicants’ wage or salary history from current or former employers. I also certify that the Applicant has adopted a policy that includes those prohibitions.

Yes

No

N/A – I am not an Applicant that is a “contractor” as defined in MCC Section 2-92-385.

This certification shall serve as the affidavit required by MCC Section 2-92-385(c)(1).

If you checked “no” to the above, please explain.

**CITY OF CHICAGO
ECONOMIC DISCLOSURE STATEMENT
AND AFFIDAVIT**

SECTION I -- GENERAL INFORMATION

A. Legal name of the Disclosing Party submitting this EDS. Include d/b/a/ if applicable:

HUDSON HOUSING TAX CREDIT FUND XCVIII LLC

Check ONE of the following three boxes:

Indicate whether the Disclosing Party submitting this EDS is:

1. the Applicant

OR

2. a legal entity currently holding, or anticipated to hold within six months after City action on the contract, transaction or other undertaking to which this EDS pertains (referred to below as the "Matter"), a direct or indirect interest in excess of 7.5% in the Applicant. State the Applicant's legal name: Heiwa Terrace 920 LLC

OR

3. a legal entity with a direct or indirect right of control of the Applicant (see Section II(B)(1)) State the legal name of the entity in which the Disclosing Party holds a right of control:

B. Business address of the Disclosing Party: 630 Fifth Avenue, 28th Floor

New York, New York 10111

C. Telephone: 212-218-4465 Fax: 212-218-4467 Email: bob.castano@hudsonhousing.com

D. Name of contact person: Robert J. Castano

E. Federal Employer Identification No. (if you have one): 85-2693011

F. Brief description of the Matter to which this EDS pertains. (Include project number and location of property, if applicable):

Lakefront Protection Approval - 920 W. Lawrence

G. Which City agency or department is requesting this EDS? Department of Planning and Development

If the Matter is a contract being handled by the City's Department of Procurement Services, please complete the following:

Specification # _____ and Contract # _____

SECTION II -- DISCLOSURE OF OWNERSHIP INTERESTS

A. NATURE OF THE DISCLOSING PARTY

1. Indicate the nature of the Disclosing Party:

- | | |
|---|---|
| <input type="checkbox"/> Person | <input checked="" type="checkbox"/> Limited liability company |
| <input type="checkbox"/> Publicly registered business corporation | <input type="checkbox"/> Limited liability partnership |
| <input type="checkbox"/> Privately held business corporation | <input type="checkbox"/> Joint venture |
| <input type="checkbox"/> Sole proprietorship | <input type="checkbox"/> Not-for-profit corporation |
| <input type="checkbox"/> General partnership | (Is the not-for-profit corporation also a 501(c)(3))? |
| <input type="checkbox"/> Limited partnership | <input type="checkbox"/> Yes <input type="checkbox"/> No |
| <input type="checkbox"/> Trust | <input type="checkbox"/> Other (please specify) |

2. For legal entities, the state (or foreign country) of incorporation or organization, if applicable:

Delaware

3. For legal entities not organized in the State of Illinois: Has the organization registered to do business in the State of Illinois as a foreign entity?

- Yes No Organized in Illinois

B. IF THE DISCLOSING PARTY IS A LEGAL ENTITY:

1. List below the full names and titles, if applicable, of: (i) all executive officers and all directors of the entity; (ii) **for not-for-profit corporations**, all members, if any, which are legal entities (if there are no such members, write "no members which are legal entities"); (iii) **for trusts, estates or other similar entities**, the trustee, executor, administrator, or similarly situated party; (iv) **for general or limited partnerships, limited liability companies, limited liability partnerships or joint ventures**, each general partner, managing member, manager or any other person or legal entity that directly or indirectly controls the day-to-day management of the Applicant.

NOTE: Each legal entity listed below must submit an EDS on its own behalf.

Name	Title
John Zeiler	Managing Director of Managing Member
Sam Ganeshan	Managing Director of Managing Member
Joseph A. Macari	Managing Director of Managing Member
Hudson MM XCVIII LLC	Managing Member

2. Please provide the following information concerning each person or legal entity having a direct or indirect, current or prospective (i.e. within 6 months after City action) beneficial interest (including ownership) in excess of 7.5% of the Applicant. Examples of such an interest include shares in a corporation, partnership interest in a partnership or joint venture, interest of a member or manager in a

limited liability company, or interest of a beneficiary of a trust, estate or other similar entity. If none, state "None."

NOTE: Each legal entity listed below may be required to submit an EDS on its own behalf.

Name	Business Address	Percentage Interest in the Applicant
Hudson MM XCVIII LLC	630 Fifth Avenue, 28th FL, NY, NY 10111	0.01%
Midtown HHTCF XCVIII LLC	c/o Fannie Mae, 1100 15th St NW, Washington, DC 20005	99.99%

SECTION III -- INCOME OR COMPENSATION TO, OR OWNERSHIP BY, CITY ELECTED OFFICIALS

Has the Disclosing Party provided any income or compensation to any City elected official during the 12-month period preceding the date of this EDS? Yes No

Does the Disclosing Party reasonably expect to provide any income or compensation to any City elected official during the 12-month period following the date of this EDS? Yes No

If "yes" to either of the above, please identify below the name(s) of such City elected official(s) and describe such income or compensation:

Does any City elected official or, to the best of the Disclosing Party's knowledge after reasonable inquiry, any City elected official's spouse or domestic partner, have a financial interest (as defined in Chapter 2-156 of the Municipal Code of Chicago ("MCC")) in the Disclosing Party?

Yes No

If "yes," please identify below the name(s) of such City elected official(s) and/or spouse(s)/domestic partner(s) and describe the financial interest(s).

SECTION IV -- DISCLOSURE OF SUBCONTRACTORS AND OTHER RETAINED PARTIES

The Disclosing Party must disclose the name and business address of each subcontractor, attorney, lobbyist (as defined in MCC Chapter 2-156), accountant, consultant and any other person or entity whom the Disclosing Party has retained or expects to retain in connection with the Matter, as well as the nature of the relationship, and the total amount of the fees paid or estimated to be paid. The Disclosing Party is not required to disclose employees who are paid solely through the Disclosing Party's regular payroll. If the Disclosing Party is uncertain whether a disclosure is required under this Section, the Disclosing Party must either ask the City whether disclosure is required or make the disclosure.

Name (indicate whether retained or anticipated to be retained)	Business Address	Relationship to Disclosing Party (subcontractor, attorney, lobbyist, etc.)	Fees (<u>indicate whether paid or estimated.</u>) NOTE: "hourly rate" or "t.b.d." is not an acceptable response.
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(Add sheets if necessary)

Check here if the Disclosing Party has not retained, nor expects to retain, any such persons or entities.

SECTION V -- CERTIFICATIONS

A. COURT-ORDERED CHILD SUPPORT COMPLIANCE

Under MCC Section 2-92-415, substantial owners of business entities that contract with the City must remain in compliance with their child support obligations throughout the contract's term.

Has any person who directly or indirectly owns 10% or more of the Disclosing Party been declared in arrearage on any child support obligations by any Illinois court of competent jurisdiction?

Yes No No person directly or indirectly owns 10% or more of the Disclosing Party.

If "Yes," has the person entered into a court-approved agreement for payment of all support owed and is the person in compliance with that agreement?

Yes No

B. FURTHER CERTIFICATIONS

1. [This paragraph 1 applies only if the Matter is a contract being handled by the City's Department of Procurement Services.] In the 5-year period preceding the date of this EDS, neither the Disclosing Party nor any Affiliated Entity [see definition in (5) below] has engaged, in connection with the performance of any public contract, the services of an integrity monitor, independent private sector inspector general, or integrity compliance consultant (i.e., an individual or entity with legal, auditing, investigative, or other similar skills, designated by a public agency to help the agency monitor the activity of specified agency vendors as well as help the vendors reform their business practices so they can be considered for agency contracts in the future, or continue with a contract in progress).

2. The Disclosing Party and its Affiliated Entities are not delinquent in the payment of any fine, fee, tax or other source of indebtedness owed to the City of Chicago, including, but not limited to, water and sewer charges, license fees, parking tickets, property taxes and sales taxes, nor is the Disclosing Party delinquent in the payment of any tax administered by the Illinois Department of Revenue.

3. The Disclosing Party and, if the Disclosing Party is a legal entity, all of those persons or entities identified in Section II(B)(1) of this EDS:

- a. are not presently debarred, suspended, proposed for debarment, declared ineligible or voluntarily excluded from any transactions by any federal, state or local unit of government;
- b. have not, during the 5 years before the date of this EDS, been convicted of a criminal offense, adjudged guilty, or had a civil judgment rendered against them in connection with: obtaining, attempting to obtain, or performing a public (federal, state or local) transaction or contract under a public transaction; a violation of federal or state antitrust statutes; fraud; embezzlement; theft; forgery; bribery; falsification or destruction of records; making false statements; or receiving stolen property;
- c. are not presently indicted for, or criminally or civilly charged by, a governmental entity (federal, state or local) with committing any of the offenses set forth in subparagraph (b) above;
- d. have not, during the 5 years before the date of this EDS, had one or more public transactions (federal, state or local) terminated for cause or default; and
- e. have not, during the 5 years before the date of this EDS, been convicted, adjudged guilty, or found liable in a civil proceeding, or in any criminal or civil action, including actions concerning environmental violations, instituted by the City or by the federal government, any state, or any other unit of local government.

4. The Disclosing Party understands and shall comply with the applicable requirements of MCC Chapters 2-56 (Inspector General) and 2-156 (Governmental Ethics).

5. Certifications (5), (6) and (7) concern:

- the Disclosing Party;
- any "Contractor" (meaning any contractor or subcontractor used by the Disclosing Party in connection with the Matter, including but not limited to all persons or legal entities disclosed under Section IV, "Disclosure of Subcontractors and Other Retained Parties");
- any "Affiliated Entity" (meaning a person or entity that, directly or indirectly: controls the Disclosing Party, is controlled by the Disclosing Party, or is, with the Disclosing Party, under common control of another person or entity). Indicia of control include, without limitation: interlocking management or ownership; identity of interests among family members, shared facilities and equipment; common use of employees; or organization of a business entity following the ineligibility of a business entity to do business with federal or state or local government, including the City, using substantially the same management, ownership, or principals as the ineligible entity. With respect to Contractors, the term Affiliated Entity means a person or entity that directly or indirectly controls the Contractor, is controlled by it, or, with the Contractor, is under common control of another person or entity;
- any responsible official of the Disclosing Party, any Contractor or any Affiliated Entity or any other official, agent or employee of the Disclosing Party, any Contractor or any Affiliated Entity, acting pursuant to the direction or authorization of a responsible official of the Disclosing Party, any Contractor or any Affiliated Entity (collectively "Agents").

Neither the Disclosing Party, nor any Contractor, nor any Affiliated Entity of either the Disclosing Party or any Contractor, nor any Agents have, during the 5 years before the date of this EDS, or, with respect to a Contractor, an Affiliated Entity, or an Affiliated Entity of a Contractor during the 5 years before the date of such Contractor's or Affiliated Entity's contract or engagement in connection with the Matter:

- a. bribed or attempted to bribe, or been convicted or adjudged guilty of bribery or attempting to bribe, a public officer or employee of the City, the State of Illinois, or any agency of the federal government or of any state or local government in the United States of America, in that officer's or employee's official capacity;
 - b. agreed or colluded with other bidders or prospective bidders, or been a party to any such agreement, or been convicted or adjudged guilty of agreement or collusion among bidders or prospective bidders, in restraint of freedom of competition by agreement to bid a fixed price or otherwise; or
 - c. made an admission of such conduct described in subparagraph (a) or (b) above that is a matter of record, but have not been prosecuted for such conduct; or
 - d. violated the provisions referenced in MCC Subsection 2-92-320(a)(4)(Contracts Requiring a Base Wage); (a)(5)(Debarment Regulations); or (a)(6)(Minimum Wage Ordinance).
6. Neither the Disclosing Party, nor any Affiliated Entity or Contractor, or any of their employees, officials, agents or partners, is barred from contracting with any unit of state or local government as a result of engaging in or being convicted of (1) bid-rigging in violation of 720 ILCS 5/33E-3; (2) bid-rotating in violation of 720 ILCS 5/33E-4; or (3) any similar offense of any state or of the United States of America that contains the same elements as the offense of bid-rigging or bid-rotating.
7. Neither the Disclosing Party nor any Affiliated Entity is listed on a Sanctions List maintained by the United States Department of Commerce, State, or Treasury, or any successor federal agency.
8. [FOR APPLICANT ONLY] (i) Neither the Applicant nor any "controlling person" [see MCC Chapter 1-23, Article I for applicability and defined terms] of the Applicant is currently indicted or charged with, or has admitted guilt of, or has ever been convicted of, or placed under supervision for, any criminal offense involving actual, attempted, or conspiracy to commit bribery, theft, fraud, forgery, perjury, dishonesty or deceit against an officer or employee of the City or any "sister agency"; and (ii) the Applicant understands and acknowledges that compliance with Article I is a continuing requirement for doing business with the City. NOTE: If MCC Chapter 1-23, Article I applies to the Applicant, that Article's permanent compliance timeframe supersedes 5-year compliance timeframes in this Section V.
9. [FOR APPLICANT ONLY] The Applicant and its Affiliated Entities will not use, nor permit their subcontractors to use, any facility listed as having an active exclusion by the U.S. EPA on the federal System for Award Management ("SAM").
10. [FOR APPLICANT ONLY] The Applicant will obtain from any contractors/subcontractors hired or to be hired in connection with the Matter certifications equal in form and substance to those in Certifications (2) and (9) above and will not, without the prior written consent of the City, use any such

contractor/subcontractor that does not provide such certifications or that the Applicant has reason to believe has not provided or cannot provide truthful certifications.

11. If the Disclosing Party is unable to certify to any of the above statements in this Part B (Further Certifications), the Disclosing Party must explain below:

NONE

If the letters "NA," the word "None," or no response appears on the lines above, it will be conclusively presumed that the Disclosing Party certified to the above statements.

12. To the best of the Disclosing Party's knowledge after reasonable inquiry, the following is a complete list of all current employees of the Disclosing Party who were, at any time during the 12-month period preceding the date of this EDS, an employee, or elected or appointed official, of the City of Chicago (if none, indicate with "N/A" or "none").

NONE

13. To the best of the Disclosing Party's knowledge after reasonable inquiry, the following is a complete list of all gifts that the Disclosing Party has given or caused to be given, at any time during the 12-month period preceding the execution date of this EDS, to an employee, or elected or appointed official, of the City of Chicago. For purposes of this statement, a "gift" does not include: (i) anything made generally available to City employees or to the general public, or (ii) food or drink provided in the course of official City business and having a retail value of less than \$25 per recipient, or (iii) a political contribution otherwise duly reported as required by law (if none, indicate with "N/A" or "none"). As to any gift listed below, please also list the name of the City recipient.

NONE

C. CERTIFICATION OF STATUS AS FINANCIAL INSTITUTION

1. The Disclosing Party certifies that the Disclosing Party (check one)

is is not

a "financial institution" as defined in MCC Section 2-32-455(b).

2. If the Disclosing Party IS a financial institution, then the Disclosing Party pledges:

"We are not and will not become a predatory lender as defined in MCC Chapter 2-32. We further pledge that none of our affiliates is, and none of them will become, a predatory lender as defined in MCC Chapter 2-32. We understand that becoming a predatory lender or becoming an affiliate of a predatory lender may result in the loss of the privilege of doing business with the City."

If the Disclosing Party is unable to make this pledge because it or any of its affiliates (as defined in MCC Section 2-32-455(b)) is a predatory lender within the meaning of MCC Chapter 2-32, explain here (attach additional pages if necessary):

If the letters "NA," the word "None," or no response appears on the lines above, it will be conclusively presumed that the Disclosing Party certified to the above statements.

D. CERTIFICATION REGARDING FINANCIAL INTEREST IN CITY BUSINESS

Any words or terms defined in MCC Chapter 2-156 have the same meanings if used in this Part D.

1. In accordance with MCC Section 2-156-110: To the best of the Disclosing Party's knowledge after reasonable inquiry, does any official or employee of the City have a financial interest in his or her own name or in the name of any other person or entity in the Matter?

Yes No

NOTE: If you checked "Yes" to Item D(1), proceed to Items D(2) and D(3). If you checked "No" to Item D(1), skip Items D(2) and D(3) and proceed to Part E.

2. Unless sold pursuant to a process of competitive bidding, or otherwise permitted, no City elected official or employee shall have a financial interest in his or her own name or in the name of any other person or entity in the purchase of any property that (i) belongs to the City, or (ii) is sold for taxes or assessments, or (iii) is sold by virtue of legal process at the suit of the City (collectively, "City Property Sale"). Compensation for property taken pursuant to the City's eminent domain power does not constitute a financial interest within the meaning of this Part D.

Does the Matter involve a City Property Sale?

Yes No

3. If you checked "Yes" to Item D(1), provide the names and business addresses of the City officials or employees having such financial interest and identify the nature of the financial interest:

Name	Business Address	Nature of Financial Interest
------	------------------	------------------------------

4. The Disclosing Party further certifies that no prohibited financial interest in the Matter will be acquired by any City official or employee.

E. CERTIFICATION REGARDING SLAVERY ERA BUSINESS

Please check either (1) or (2) below. If the Disclosing Party checks (2), the Disclosing Party must disclose below or in an attachment to this EDS all information required by (2). Failure to comply with these disclosure requirements may make any contract entered into with the City in connection with the Matter voidable by the City.

1. The Disclosing Party verifies that the Disclosing Party has searched any and all records of the Disclosing Party and any and all predecessor entities regarding records of investments or profits from slavery or slaveholder insurance policies during the slavery era (including insurance policies issued to slaveholders that provided coverage for damage to or injury or death of their slaves), and the Disclosing Party has found no such records.

2. The Disclosing Party verifies that, as a result of conducting the search in step (1) above, the Disclosing Party has found records of investments or profits from slavery or slaveholder insurance policies. The Disclosing Party verifies that the following constitutes full disclosure of all such records, including the names of any and all slaves or slaveholders described in those records:

SECTION VI -- CERTIFICATIONS FOR FEDERALLY FUNDED MATTERS

NOTE: If the Matter is federally funded, complete this Section VI. If the Matter is not federally funded, proceed to Section VII. For purposes of this Section VI, tax credits allocated by the City and proceeds of debt obligations of the City are not federal funding.

A. CERTIFICATION REGARDING LOBBYING

1. List below the names of all persons or entities registered under the federal Lobbying Disclosure Act of 1995, as amended, who have made lobbying contacts on behalf of the Disclosing Party with respect to the Matter: (Add sheets if necessary):

(If no explanation appears or begins on the lines above, or if the letters "NA" or if the word "None" appear, it will be conclusively presumed that the Disclosing Party means that NO persons or entities registered under the Lobbying Disclosure Act of 1995, as amended, have made lobbying contacts on behalf of the Disclosing Party with respect to the Matter.)

2. The Disclosing Party has not spent and will not expend any federally appropriated funds to pay any person or entity listed in paragraph A(1) above for his or her lobbying activities or to pay any person or entity to influence or attempt to influence an officer or employee of any agency, as defined by applicable federal law, a member of Congress, an officer or employee of Congress, or an employee

of a member of Congress, in connection with the award of any federally funded contract, making any federally funded grant or loan, entering into any cooperative agreement, or to extend, continue, renew, amend, or modify any federally funded contract, grant, loan, or cooperative agreement.

3. The Disclosing Party will submit an updated certification at the end of each calendar quarter in which there occurs any event that materially affects the accuracy of the statements and information set forth in paragraphs A(1) and A(2) above.

4. The Disclosing Party certifies that either: (i) it is not an organization described in section 501(c)(4) of the Internal Revenue Code of 1986; or (ii) it is an organization described in section 501(c)(4) of the Internal Revenue Code of 1986 but has not engaged and will not engage in "Lobbying Activities," as that term is defined in the Lobbying Disclosure Act of 1995, as amended.

5. If the Disclosing Party is the Applicant, the Disclosing Party must obtain certifications equal in form and substance to paragraphs A(1) through A(4) above from all subcontractors before it awards any subcontract and the Disclosing Party must maintain all such subcontractors' certifications for the duration of the Matter and must make such certifications promptly available to the City upon request.

B. CERTIFICATION REGARDING EQUAL EMPLOYMENT OPPORTUNITY

If the Matter is federally funded, federal regulations require the Applicant and all proposed subcontractors to submit the following information with their bids or in writing at the outset of negotiations.

Is the Disclosing Party the Applicant?

Yes

No

If "Yes," answer the three questions below:

1. Have you developed and do you have on file affirmative action programs pursuant to applicable federal regulations? (See 41 CFR Part 60-2.)

Yes

No

2. Have you filed with the Joint Reporting Committee, the Director of the Office of Federal Contract Compliance Programs, or the Equal Employment Opportunity Commission all reports due under the applicable filing requirements?

Yes

No

Reports not required

3. Have you participated in any previous contracts or subcontracts subject to the equal opportunity clause?

Yes

No

If you checked "No" to question (1) or (2) above, please provide an explanation:

SECTION VII -- FURTHER ACKNOWLEDGMENTS AND CERTIFICATION

The Disclosing Party understands and agrees that:

A. The certifications, disclosures, and acknowledgments contained in this EDS will become part of any contract or other agreement between the Applicant and the City in connection with the Matter, whether procurement, City assistance, or other City action, and are material inducements to the City's execution of any contract or taking other action with respect to the Matter. The Disclosing Party understands that it must comply with all statutes, ordinances, and regulations on which this EDS is based.

B. The City's Governmental Ethics Ordinance, MCC Chapter 2-156, imposes certain duties and obligations on persons or entities seeking City contracts, work, business, or transactions. The full text of this ordinance and a training program is available on line at www.cityofchicago.org/Ethics, and may also be obtained from the City's Board of Ethics, 740 N. Sedgwick St., Suite 500, Chicago, IL 60610, (312) 744-9660. The Disclosing Party must comply fully with this ordinance.

C. If the City determines that any information provided in this EDS is false, incomplete or inaccurate, any contract or other agreement in connection with which it is submitted may be rescinded or be void or voidable, and the City may pursue any remedies under the contract or agreement (if not rescinded or void), at law, or in equity, including terminating the Disclosing Party's participation in the Matter and/or declining to allow the Disclosing Party to participate in other City transactions. Remedies at law for a false statement of material fact may include incarceration and an award to the City of treble damages.

D. It is the City's policy to make this document available to the public on its Internet site and/or upon request. Some or all of the information provided in, and appended to, this EDS may be made publicly available on the Internet, in response to a Freedom of Information Act request, or otherwise. By completing and signing this EDS, the Disclosing Party waives and releases any possible rights or claims which it may have against the City in connection with the public release of information contained in this EDS and also authorizes the City to verify the accuracy of any information submitted in this EDS.

E. The information provided in this EDS must be kept current. In the event of changes, the Disclosing Party must supplement this EDS up to the time the City takes action on the Matter. If the Matter is a contract being handled by the City's Department of Procurement Services, the Disclosing Party must update this EDS as the contract requires. **NOTE:** With respect to Matters subject to MCC Chapter 1-23, Article I (imposing **PERMANENT INELIGIBILITY** for certain specified offenses), the information provided herein regarding eligibility must be kept current for a longer period, as required by MCC Chapter 1-23 and Section 2-154-020.

CERTIFICATION

Under penalty of perjury, the person signing below: (1) warrants that he/she is authorized to execute this EDS, and all applicable Appendices, on behalf of the Disclosing Party, and (2) warrants that all certifications and statements contained in this EDS, and all applicable Appendices, are true, accurate and complete as of the date furnished to the City.

Hudson Housing Tax Credit Fund XCVIII LLC

(Print or type exact legal name of Disclosing Party)

By: 
(Sign here)

Joseph A. Macari

(Print or type name of person signing)

Managing Director of Hudson MM XCVIII LLC

(Print or type title of person signing)

Signed and sworn to before me on (date) October 9, 2020

at New York County, New York (state).


Notary Public

Commission expires: _____

ROBERT J. CASTANO
NOTARY PUBLIC, State of New York
No. 02CA5009567
Qualified in New York County
Commission Expires March 15, 2023

**CITY OF CHICAGO
ECONOMIC DISCLOSURE STATEMENT AND AFFIDAVIT
APPENDIX A**

**FAMILIAL RELATIONSHIPS WITH ELECTED CITY OFFICIALS
AND DEPARTMENT HEADS**

This Appendix is to be completed only by (a) the Applicant, and (b) any legal entity which has a direct ownership interest in the Applicant exceeding 7.5%. It is not to be completed by any legal entity which has only an indirect ownership interest in the Applicant.

Under MCC Section 2-154-015, the Disclosing Party must disclose whether such Disclosing Party or any "Applicable Party" or any Spouse or Domestic Partner thereof currently has a "familial relationship" with any elected city official or department head. A "familial relationship" exists if, as of the date this EDS is signed, the Disclosing Party or any "Applicable Party" or any Spouse or Domestic Partner thereof is related to the mayor, any alderman, the city clerk, the city treasurer or any city department head as spouse or domestic partner or as any of the following, whether by blood or adoption: parent, child, brother or sister, aunt or uncle, niece or nephew, grandparent, grandchild, father-in-law, mother-in-law, son-in-law, daughter-in-law, stepfather or stepmother, stepson or stepdaughter, stepbrother or stepsister or half-brother or half-sister.

"Applicable Party" means (1) all executive officers of the Disclosing Party listed in Section II.B.1.a., if the Disclosing Party is a corporation; all partners of the Disclosing Party, if the Disclosing Party is a general partnership; all general partners and limited partners of the Disclosing Party, if the Disclosing Party is a limited partnership; all managers, managing members and members of the Disclosing Party, if the Disclosing Party is a limited liability company; (2) all principal officers of the Disclosing Party; and (3) any person having more than a 7.5% ownership interest in the Disclosing Party. "Principal officers" means the president, chief operating officer, executive director, chief financial officer, treasurer or secretary of a legal entity or any person exercising similar authority.

Does the Disclosing Party or any "Applicable Party" or any Spouse or Domestic Partner thereof currently have a "familial relationship" with an elected city official or department head?

Yes

No

If yes, please identify below (1) the name and title of such person, (2) the name of the legal entity to which such person is connected; (3) the name and title of the elected city official or department head to whom such person has a familial relationship, and (4) the precise nature of such familial relationship.

**CITY OF CHICAGO
ECONOMIC DISCLOSURE STATEMENT AND AFFIDAVIT
APPENDIX B**

BUILDING CODE SCOFFLAW/PROBLEM LANDLORD CERTIFICATION

This Appendix is to be completed only by (a) the Applicant, and (b) any legal entity which has a direct ownership interest in the Applicant exceeding 7.5% (an "Owner"). It is not to be completed by any legal entity which has only an indirect ownership interest in the Applicant.

1. Pursuant to MCC Section 2-154-010, is the Applicant or any Owner identified as a building code scofflaw or problem landlord pursuant to MCC Section 2-92-416?

Yes No

2. If the Applicant is a legal entity publicly traded on any exchange, is any officer or director of the Applicant identified as a building code scofflaw or problem landlord pursuant to MCC Section 2-92-416?

Yes No The Applicant is not publicly traded on any exchange.

3. If yes to (1) or (2) above, please identify below the name of each person or legal entity identified as a building code scofflaw or problem landlord and the address of each building or buildings to which the pertinent code violations apply.

**CITY OF CHICAGO
ECONOMIC DISCLOSURE STATEMENT AND AFFIDAVIT
APPENDIX C**

PROHIBITION ON WAGE & SALARY HISTORY SCREENING - CERTIFICATION

This Appendix is to be completed only by an Applicant that is completing this EDS as a “contractor” as defined in MCC Section 2-92-385. That section, which should be consulted (www.amlegal.com), generally covers a party to any agreement pursuant to which they: (i) receive City of Chicago funds in consideration for services, work or goods provided (including for legal or other professional services), or (ii) pay the City money for a license, grant or concession allowing them to conduct a business on City premises.

On behalf of an Applicant that is a contractor pursuant to MCC Section 2-92-385, I hereby certify that the Applicant is in compliance with MCC Section 2-92-385(b)(1) and (2), which prohibit: (i) screening job applicants based on their wage or salary history, or (ii) seeking job applicants’ wage or salary history from current or former employers. I also certify that the Applicant has adopted a policy that includes those prohibitions.

Yes

No

N/A – I am not an Applicant that is a “contractor” as defined in MCC Section 2-92-385.

This certification shall serve as the affidavit required by MCC Section 2-92-385(c)(1).

If you checked “no” to the above, please explain.

UNITED STATES SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

Form 10-Q

QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES
EXCHANGE ACT OF 1934

For the quarterly period ended June 30, 2020

OR

TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES
EXCHANGE ACT OF 1934

For the transition period from to

Commission file number: 0-50231

Federal National Mortgage Association

(Exact name of registrant as specified in its charter)

Fannie Mae

Federally chartered corporation 52-0883107 1100 15th Street, NW 800 232-6643

(State or other jurisdiction of
incorporation or organization)

(I.R.S. Employer
Identification No.)

Washington, DC 20005
(Address of principal executive
offices, including zip code)

(Registrant's telephone number,
including area code)

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
None	N/A	N/A

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes No

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§ 232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files). Yes No

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company, or an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer," "smaller reporting company," and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer

Non-accelerated filer

Accelerated filer

Smaller reporting company

Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes No

As of June 30, 2020, there were 1,158,087,567 shares of common stock of the registrant outstanding.

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PART I—FINANCIAL INFORMATION

Item 2. Management’s Discussion and Analysis of Financial Condition and Results of Operations

We have been under conservatorship, with the Federal Housing Finance Agency (“FHFA”) acting as conservator, since September 6, 2008. As conservator, FHFA succeeded to all rights, titles, powers and privileges of the company, and of any shareholder, officer or director of the company with respect to the company and its assets. The conservator has since provided for the exercise of certain authorities by our Board of Directors. Our directors do not have any fiduciary duties to any person or entity except to the conservator and, accordingly, are not obligated to consider the interests of the company, the holders of our equity or debt securities, or the holders of Fannie Mae MBS unless specifically directed to do so by the conservator.

We do not know when or how the conservatorship will terminate, what further changes to our business will be made during or following conservatorship, what form we will have and what ownership interest, if any, our current common and preferred stockholders will hold in us after the conservatorship is terminated or whether we will continue to exist following conservatorship. The U.S. Department of the Treasury (“Treasury”) released a plan in September 2019 for housing finance reform (the “Treasury plan”) that includes recommendations related to ending our conservatorship. Congress and the Administration continue to consider options for reform of the housing finance system, including Fannie Mae. We are not permitted to retain more than \$25 billion in capital reserves or to pay dividends or other distributions to stockholders other than Treasury. Our agreements with Treasury include covenants that significantly restrict our business activities. For additional information on the conservatorship, the uncertainty of our future, our agreements with Treasury, and recent developments relating to housing finance reform, see “Business—Conservatorship, Treasury Agreements and Housing Finance Reform” in our Form 10-K for the year ended December 31, 2019 (“2019 Form 10-K”), “Risk Factors” in our 2019 Form 10-K and in this report, and “Management’s Discussion and Analysis of Financial Condition and Results of Operations (‘MD&A’)—Legislation and Regulation” in this report.

You should read this MD&A in conjunction with our unaudited condensed consolidated financial statements and related notes in this report and the more detailed information in our 2019 Form 10-K. You can find a “Glossary of Terms Used in This Report” in our 2019 Form 10-K.

Forward-looking statements in this report are based on management’s current expectations and are subject to significant uncertainties and changes in circumstances, as we describe in “Forward-Looking Statements.” Future events and our future results may differ materially from those reflected in our forward-looking statements due to a variety of factors, including those discussed in “Risk Factors” and elsewhere in this report and in our 2019 Form 10-K.

Introduction

Fannie Mae is a leading source of financing for mortgages in the United States. Our revenues are primarily driven by guaranty fees we receive for managing the credit risk on loans underlying the mortgage-backed securities we issue. Our mission is to provide a stable source of liquidity to support housing in the U.S. for low- and moderate-income borrowers and renters. We operate in the secondary mortgage market, primarily working with lenders, who originate loans to borrowers. We do not originate loans or lend money directly to borrowers in the primary mortgage market. Instead, we securitize mortgage loans originated by lenders into Fannie Mae mortgage-backed securities that we guarantee (which we refer to as Fannie Mae MBS or our MBS); purchase mortgage loans and mortgage-related securities, primarily for securitization and sale at a later date; manage mortgage credit risk; and engage in other activities that support access to credit and the supply of affordable housing.

Through our single-family and multifamily business segments, we provided \$575.4 billion in liquidity to the mortgage market in the first half of 2020, which enabled the financing of approximately 2.3 million home purchases, refinancings or rental units.

Fannie Mae Provided \$575.4 Billion in Liquidity in the First Half of 2020

Unpaid Principal Balance

\$161.0B

\$380.7B

\$33.7B

Units

593K
Single-Family Home Purchases

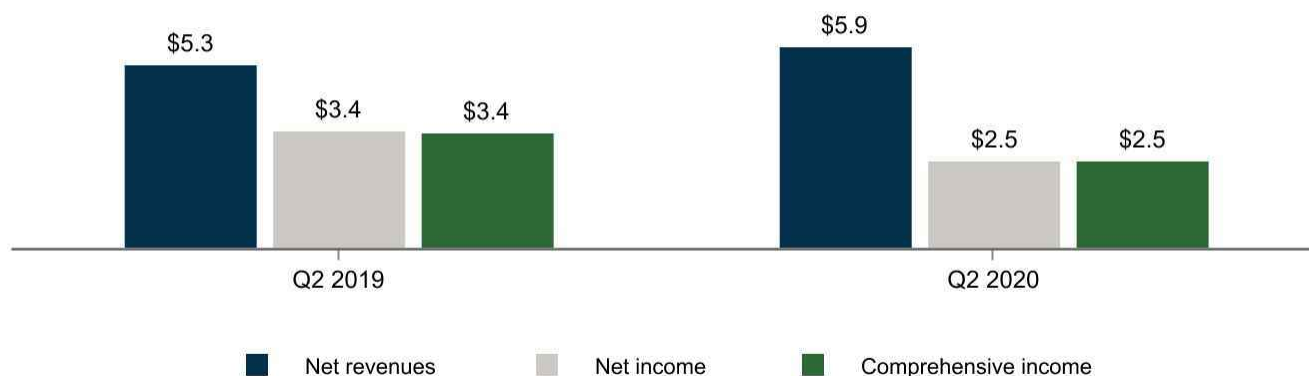
1.3M
Single-Family Refinancings

373K
Multifamily Rental Units

Executive Summary

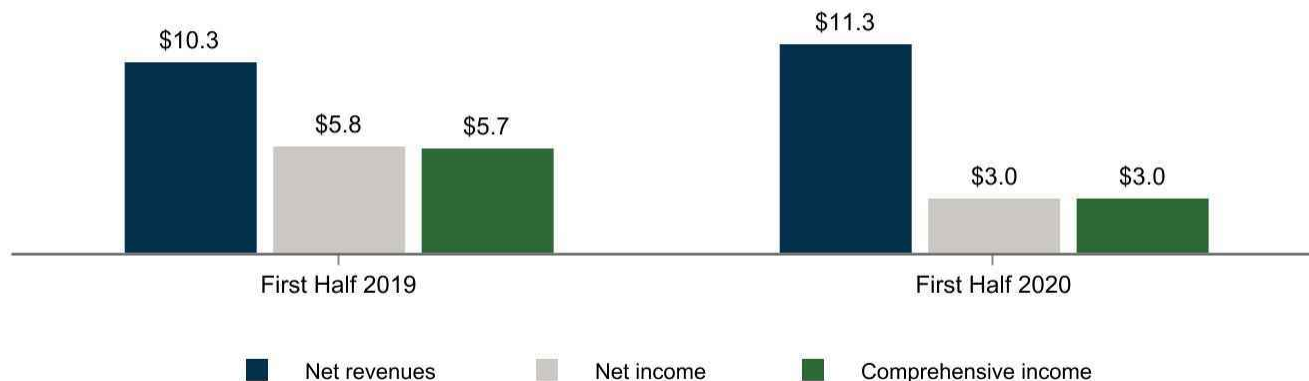
Summary of Our Financial Performance

Quarterly Condensed Consolidated Results (Dollars in billions)



The decrease in our net income in the second quarter of 2020, compared with the second quarter of 2019, was primarily driven by a shift from credit-related income to credit-related expense due to the economic dislocation caused by the COVID-19 pandemic, partially offset by an increase in net interest income due to higher loan prepayments as a result of the historically low interest rate environment. Our net interest income for the second quarter of 2020 was also impacted by an update to our application of our accounting policy for nonaccrual loans that allowed us to continue accruing interest income on delinquent loans that were current at March 1, 2020 and have been negatively impacted by the COVID-19 pandemic. As a result of this update, we recognized \$1.5 billion in net interest income related to these loans in the second quarter. See “Consolidated Results of Operations” for more information on our financial results and “Note 1, Summary of Significant Accounting Policies—New Accounting Guidance” for more information about our policy for nonaccrual loans.

Year-to-Date Condensed Consolidated Results (Dollars in billions)



The decrease in our net income in the first half of 2020, compared with the first half of 2019, was primarily driven by a shift from credit-related income to credit-related expense driven by the economic dislocation caused by the COVID-19 pandemic, partially offset by an increase in net interest income due to higher loan prepayments as a result of the historically low interest rate environment. Our net interest income in the first half of 2020 was also impacted by our recognition in the second quarter of \$1.5 billion in net interest income as a result of the update in our application of our policy for nonaccrual loans.

Net worth. Our net worth was \$16.5 billion as of June 30, 2020. This amount reflects:

- our net worth of \$14.6 billion as of December 31, 2019;
- a reduction in our net worth of \$663 million in the first quarter of 2020 driven by a charge of \$1.1 billion to retained earnings due to our implementation of Accounting Standards Update 2016-13, Financial Instruments—Credit Losses, Measurement of Credit Losses on Financial Instruments and related amendments (the “CECL standard”) on January 1, 2020, partially offset by comprehensive income of \$476 million in the first quarter of 2020; and
- our comprehensive income of \$2.5 billion in the second quarter of 2020.

See “Note 1, Summary of Significant Accounting Policies—New Accounting Guidance—The Current Expected Credit Loss Standard” for further details.

Changes in our net worth can be significantly impacted by market conditions that affect our net interest income; fluctuations in the estimated fair value of our derivatives and other financial instruments that we mark to market through our earnings; developments that affect our loss reserves, such as changes in interest rates, home prices or accounting standards, or events such as natural disasters or pandemics; and other factors, as we discuss in “Risk Factors” and “Consolidated Results of Operations” in our 2019 Form 10-K and in this report.

Financial performance. Our long-term financial performance will depend on many factors, including:

- the size of and our share of the U.S. mortgage market, which in turn will depend upon macroeconomic factors such as population growth, household formation and housing supply;
- borrower performance and changes in macroeconomic factors, including home prices and interest rates; and
- actions by FHFA, the Administration and Congress relating to our business and housing finance reform, including the capital requirements that will be applicable to us, our ongoing financial obligations to Treasury, potential restrictions on our activities and our business footprint, our competitive environment, and actions we are required to take to support borrowers or the mortgage market.

Quarterly fluctuations in acquisition volumes, market share, guaranty fees, or acquisition credit characteristics in any one period typically have limited impact on the size and stability of our conventional guaranty book of business and the associated revenue, profitability, and credit quality. Only a portion of our guaranty book of business turns over each year. In eight of the past ten years, less than 20% of loans in our single-family conventional guaranty book of business held at year end had been originated during the year. Low mortgage rates have contributed to a significant amount of refinancing activity in the first six months of 2020. As a result, we acquired a higher-than-usual portion of our book of business during the first half of the year, with approximately 15% of the loans in our single-family conventional guaranty book of business as of June 30, 2020 originated in the first half of 2020. Because we expect mortgage rates to remain low through 2021, we anticipate a large and growing portion of our book of business, originated in a historically-low-interest-rate environment, will have less incentive to refinance, slowing the pace at which loans in our book of business turn over in future years. A slower turnover rate in our book of business would reduce our ability to increase our revenues by increasing guaranty fees, as any such change would take longer to meaningfully increase the average charged guaranty fee on our total book of business. See “Legislation and Regulation—Developments Relating to Exiting Conservatorship” for a discussion of how this may impact our efforts to generate capital and “Consolidated Results of Operations—Net Interest Income” for information on how this may affect amortization income we receive in future periods.

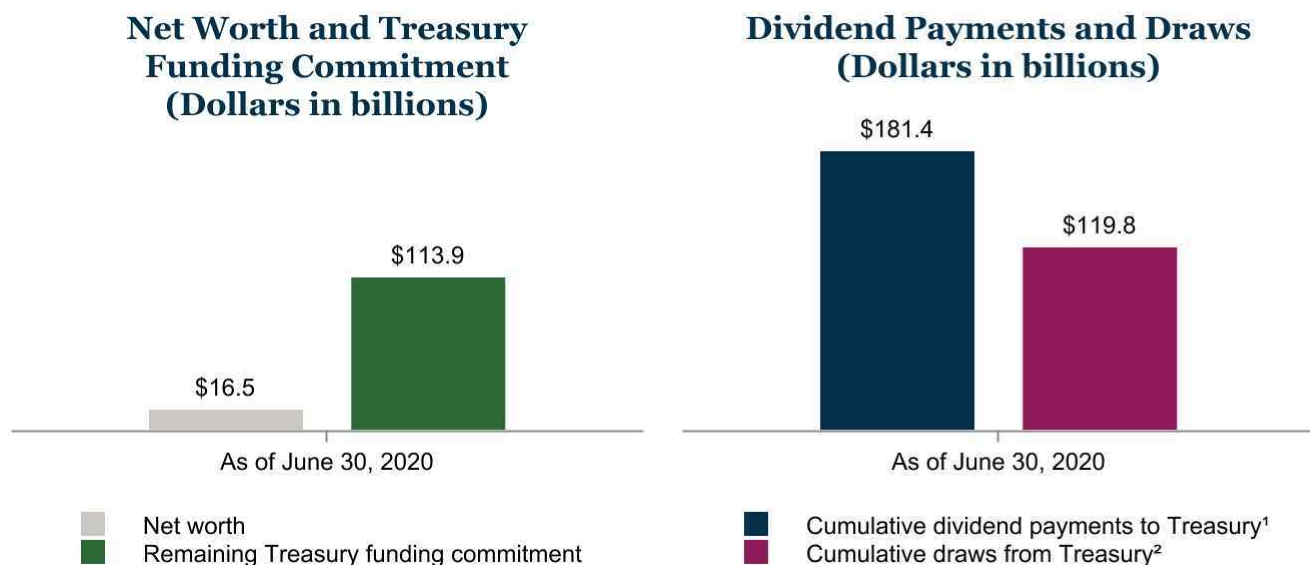
As described further in “COVID-19 Impact” and “Risk Factors,” the COVID-19 pandemic has significantly affected our financial performance and we expect that it will continue to do so. Given the unprecedented nature of the COVID-19 pandemic and the fast pace at which new developments relating to the pandemic are occurring, it is difficult to assess or predict the short-term or long-term effects of the pandemic on our financial performance.

Net Worth, Treasury Funding and Senior Preferred Stock Dividends

Treasury has made a commitment under a senior preferred stock purchase agreement to provide funding to us under certain circumstances if we have a net worth deficit. Pursuant to the senior preferred stock purchase agreement, we issued shares of senior preferred stock to Treasury in 2008.

Under the terms of the senior preferred stock, we will not owe senior preferred stock dividends to Treasury until we have accumulated over \$25 billion in net worth as of the end of a quarter. Accordingly, no dividends were payable to Treasury for the second quarter of 2020, and none are payable for the third quarter of 2020.

The charts below show information about our net worth, the remaining amount of Treasury's funding commitment to us, senior preferred stock dividends we have paid Treasury and funds we have drawn from Treasury pursuant to its funding commitment.



⁽¹⁾ Aggregate amount of dividends we have paid to Treasury on the senior preferred stock from 2008 through June 30, 2020. Under the terms of the senior preferred stock purchase agreement, dividend payments we make to Treasury do not offset our draws of funds from Treasury.

⁽²⁾ Aggregate amount of funds we have drawn from Treasury pursuant to the senior preferred stock purchase agreement from 2008 through June 30, 2020.

The aggregate liquidation preference of the senior preferred stock was \$135.4 billion as of June 30, 2020, unchanged from March 31, 2020 as a result of the decrease in our net worth during the first quarter of 2020. The aggregate liquidation preference of the senior preferred stock will increase to \$138.0 billion as of September 30, 2020 due to the \$2.5 billion increase in our net worth during the second quarter of 2020.

If we were to draw additional funds from Treasury under the senior preferred stock purchase agreement with respect to a future period, the amount of remaining funding under the agreement would be reduced by the amount of our draw, and the aggregate liquidation preference of the senior preferred stock would increase by the amount of our draw. For a description of the terms of the senior preferred stock purchase agreement and the senior preferred stock, see "Business—Conservatorship, Treasury Agreements and Housing Finance Reform" in our 2019 Form 10-K.

Treasury owns our senior preferred stock and a warrant to purchase 79.9% of our common stock. Treasury has also made a commitment under the senior preferred stock purchase agreement to provide us with funds to maintain a positive net worth under specified conditions. However, the U.S. government does not guarantee our securities or other obligations.

COVID-19 Impact

In March 2020, President Trump declared the COVID-19 outbreak in the United States a national emergency. The COVID-19 pandemic in the United States has resulted in stay-at-home orders, school closures and widespread business shutdowns across the country. Although business activity has begun to resume to varying degrees, the speed and nature of the resumption of economic activity remains highly uncertain.

The pandemic continues to have a significant impact on our business and on our financial results. We provide a brief overview below of the economic impact of the pandemic, our response to it, and the pandemic's impact on our business and financial results, with references to where these items are discussed in more detail in this report. We also highlight below the many uncertainties relating to the impact of the COVID-19 pandemic on Fannie Mae and the housing market.

Economic Impact

The COVID-19 pandemic caused substantial financial market volatility and has significantly adversely affected both the U.S. and global economies. While state and local governments throughout the country have taken steps to re-open their economies, lifting shut-down and stay-at-home orders to varying degrees, a number of states and local governments are slowing or pausing their re-openings, or imposing new shut-down orders, as the daily number of new cases of COVID-19 has continued to reach new highs. The extensive shutdowns and other reductions in business activity across the country and globally, including those resulting from individuals and households seeking to avoid infection, have substantially increased unemployment from pre-pandemic levels. The federal government has taken many actions to reduce the negative economic impact of the COVID-19 pandemic. For example, the Federal Reserve lowered the federal funds rate and increased its purchases of Treasury and mortgage-backed securities, is purchasing corporate debt securities, and established and expanded liquidity facilities to support the flow of credit to consumers and businesses. In addition, the federal government passed legislation increasing and expanding unemployment benefits, providing direct cash payments to eligible taxpayers, and allocating funds to assist businesses, states, and municipalities.

The disruption caused by the pandemic differs from previous economic downturns because of the high level of uncertainty related to the health and safety of consumers and workers. We expect the path and timing of economic recovery will be impacted by the rate of new COVID-19 cases and the associated mortality rates. We believe that economic recovery depends on the stable return of consumer spending, increased business activity, and a reduction in unemployment, all of which impact the ability of borrowers and renters to make their monthly payments. Government support, as described above, has played a role in helping to reduce the negative economic impact of the pandemic with direct funding provided to affected households and businesses. Absent additional government action, some of these programs are ending, including the \$600 weekly addition to unemployment benefits, which expires at the end of July. The ultimate impact of these programs expiring and the extent to which existing and future government actions will mitigate the negative impacts of COVID-19 on the U.S. economy and our business is unclear. The pandemic resulted in a contraction in U.S. gross domestic product ("GDP") for the first half of 2020 and could result in future declines in or a sustained drop in the level of U.S. economic activity. See "Key Market Economic Indicators" for information on macroeconomic conditions during the first half of 2020 and our current forecasts regarding future macroeconomic conditions.

Fannie Mae Response

We are taking a number of actions to help borrowers, renters, lenders and servicers manage the negative impact of the COVID-19 pandemic, including providing payment forbearance (that is, a temporary suspension of the borrower's monthly mortgage payments) to single-family and multifamily borrowers with COVID-19-related financial hardships, suspending foreclosure-related activities, providing lenders and servicers temporary flexibilities for certain of our Selling Guide and Servicing Guide requirements, and providing liquidity to lenders by purchasing a higher-than-usual volume of loans through our whole loan conduit. We have also taken steps to mitigate the risk to Fannie Mae from the impacts of the pandemic. See "Single-Family Business—Single-Family Mortgage Credit Risk Management" and "Multifamily Business—Multifamily Mortgage Credit Risk Management" for more information on the actions we are taking in response to the COVID-19 pandemic.

We have also taken steps to protect the safety and resiliency of our workforce. We have required nearly all of our workforce to work remotely since mid-March and continue to assess when it will be safe for employees to return to the office. To date, our business resiliency plans and technology systems have effectively supported this company-wide telework arrangement.

Impact on our Business and Financial Results

The economic dislocation caused by the COVID-19 pandemic was the primary driver of the decline in our net income in the first half of 2020, as compared with the first half of 2019. We significantly increased our allowance for loan losses in the first quarter of 2020 to reflect our expected loan losses as a result of the pandemic, which resulted in substantial credit-related expenses. We expect the impact of the pandemic to continue to negatively affect our financial results, contributing to lower net income in 2020 than in 2019. We could also have net losses in future periods. In addition, we expect the pandemic to negatively affect our returns on capital under FHFA's conservatorship capital requirements. See "Consolidated Results of Operations," "Single-Family Business" and "Multifamily Business" for more information on our financial results for the second quarter and first half of 2020.

We did not enter into credit risk transfer transactions in the second quarter of 2020 due to continuing adverse market conditions as a result of the COVID-19 pandemic. Although market conditions have improved, we currently do not have plans to engage in additional credit risk transfer transactions as we evaluate FHFA's recently re-proposed capital rule, which would reduce the amount of capital relief we obtain from these transactions. We will continue to review our plans, which may be affected by our evaluation of the proposed capital rule and changes in the rule as it is finalized, our progress in meeting FHFA's 2020 conservatorship scorecard, the strength of future market conditions, and our review of our overall business and capital plan to enable us to exit conservatorship. See "Legislation and Regulation" for more information on FHFA's proposed capital rule. See "Single-Family Business—Single-Family Mortgage Credit Risk Management—Single-Family Credit Enhancement and Transfer of Mortgage Credit Risk" and "Multifamily Business—Multifamily Mortgage Credit Risk Management—Transfer of Multifamily Mortgage Credit Risk" for more information about our credit-risk transfer activity.

Also see “Retained Mortgage Portfolio,” “Liquidity and Capital Management” and “Risk Management” for discussions of the impact of the COVID-19 pandemic on our business.

Risks and Uncertainties

Our current forecasts and expectations relating to the impact of the COVID-19 pandemic are subject to many uncertainties and may change, perhaps substantially. It is difficult to assess or predict the impact of this unprecedented event on our business, financial results or financial condition. Factors that will impact the extent to which the COVID-19 pandemic affects our business, financial results and financial condition include: the duration, spread and severity of COVID-19 outbreaks; the actions taken to contain the virus or treat its impact, including government actions to mitigate the economic impact of the pandemic; the extent to which consumers, workers and families feel safe resuming business activities and school; the nature and extent of the forbearance, modification, and other loss mitigation options borrowers affected by the pandemic obtain from us; accounting elections and estimates relating to the impact of the COVID-19 pandemic; borrower and renter behavior in response to the pandemic and its economic impact; how quickly and to what extent normal economic and operating conditions can resume, including whether any future outbreaks interrupt economic recovery; and how quickly and to what extent affected borrowers, renters and counterparties can recover from the negative economic impact of the pandemic. See “Risk Factors” for a discussion of the risks to our business, financial results and financial condition relating to the COVID-19 pandemic. See “Forward-Looking Statements” for a discussion of factors that could cause actual conditions, events or results to differ materially from those described in our forecasts, expectations and other forward-looking statements in this report.

Legislation and Regulation

The information in this section updates and supplements information regarding legislative and regulatory developments affecting our business set forth in “Business—Conservatorship, Treasury Agreements and Housing Finance Reform” and “Business—Charter Act and Regulation” in our 2019 Form 10-K, as well as in “MD&A—Legislation and Regulation” in our Form 10-Q for the quarter ended March 31, 2020 (“First Quarter 2020 Form 10-Q”). Also see “Risk Factors” in this report and in our 2019 Form 10-K for discussions of risks relating to legislative and regulatory matters.

Developments Relating to Exiting Conservatorship

In September 2019, Treasury released a plan recommending reforms to the housing finance system, including recommendations relating to ending our conservatorship. The Treasury plan contemplates FHFA ending the conservatorships of each of Fannie Mae and Freddie Mac (the “GSEs”) when the GSE has met specified preconditions. As described below, FHFA and we took key steps during the second quarter of 2020 in connection with these preconditions through FHFA’s proposal of a new regulatory capital framework for the GSEs and our hiring of a financial advisor to assist us in planning the company’s recapitalization and exit from conservatorship.

Proposed Capital Framework

On May 20, 2020, FHFA released a proposed new regulatory capital framework for the GSEs. The proposed framework is expected to require us to hold significantly more capital than the rule FHFA first proposed in June 2018. The proposed rule includes a mortgage-risk-sensitive framework, similar to the 2018 proposal, but differs from the 2018 proposal in a number of ways, including the following:

- The proposed rule includes supplemental capital requirements relating to the amount and form of the capital we hold, based on definitions of capital used in U.S. banking regulators’ regulatory capital framework. The proposal specifies complementary leverage-based and risk-based requirements, which together determine the requirements for each tier of capital;
- The proposed rule requires us to hold capital buffers that can be drawn down in periods of financial stress and then rebuilt over time as economic conditions improve. If we fall below the prescribed buffer amounts, we must restrict capital distributions such as stock repurchases and dividends, as well as discretionary bonus payments to executives, until the buffer amounts are restored;
- The proposed rule provides less capital relief for credit risk transfer activities than the 2018 proposal;
- The proposed rule imposes specific minimum percentages, or “floors,” on the risk-weight applicable to single-family and multifamily exposures, as well as to retained portions of credit risk transfer transactions; and
- The proposed rule incorporates additional elements based on U.S. banking regulators’ regulatory capital framework, including the introduction of the advanced approach to complement the standardized approach for measuring risk-weighted assets.

The capital requirements and buffers established by the proposed rule would have a delayed compliance date, unless adjusted by FHFA, of the later of one year from publication of the final rule or the date our conservatorship terminates.

We continue to study the proposed capital rule and its potential impact on Fannie Mae and the housing market. Comments on the proposed capital rule are due by August 31, 2020. We do not yet know what changes FHFA may make to the capital rule before it is finalized or when it will be finalized. We expect that the final capital rule will have a significant impact on our business. For example, actions we take to maintain appropriate risk-adjusted returns could adversely affect our competitive position. Approximately 15% of the loans in our single-family conventional guaranty book of business as of June 30, 2020 were originated in the first half of 2020. Once loans have refinanced to current low rates, they are less likely to refinance in the future, which reduces our opportunity to adjust our guaranty fees on these loans in support of our efforts to generate capital.

See “Business—Charter Act and Regulation—GSE Act and Other Legislation—Capital” in our 2019 Form 10-K for information about capital requirements under the current rule and while we are under conservatorship.

Selection of Financial Advisor to Assist with Recapitalization Plan

In June 2020, we hired Morgan Stanley & Co. LLC as underwriting financial advisor to assist us in developing and implementing a plan for recapitalizing the company and responsibly ending our conservatorship. Our advisor is working closely with us, FHFA, and Treasury to consider business and capital structures, market impacts and timing, and available capital-raising alternatives, among other items.

Proposed Replacement for the Qualified Mortgage Patch

The Consumer Financial Protection Bureau’s (the “CFPB’s”) “ability-to-repay” rule under the Truth in Lending Act includes a general “qualified mortgage” definition, and an exception to that definition referred to as the qualified mortgage “patch,” pursuant to which conventional mortgage loans are considered qualified mortgages if they (1) meet certain qualified mortgage requirements generally and (2) are eligible to be purchased or guaranteed by Fannie Mae or Freddie Mac operating under the conservatorship or receivership of FHFA. The qualified mortgage patch is currently scheduled to expire on the earlier of January 10, 2021 or the exit of the GSEs from conservatorship. In June 2020, the CFPB proposed to eliminate the qualified mortgage patch and revise the general qualified mortgage definition. Under the proposal, a loan would no longer need to meet a maximum debt-to-income ratio of 43% and requirements in Appendix Q to the rule to be considered a qualified mortgage. Qualified mortgage status would instead be determined using a priced-based approach along with consideration and verification of the borrower’s income, assets and debts. The CFPB also proposed in June to delay the expiration of the qualified mortgage patch until its replacement becomes effective or when Fannie Mae and Freddie Mac cease to be in conservatorship or receivership, whichever occurs first.

State and Local Government Responses to COVID-19

Many states and localities have issued executive orders and are considering or have enacted legislation requiring mortgage forbearance, foreclosure and eviction moratoriums, and rent flexibilities. The terms of these new and proposed requirements vary significantly in duration and scope, with some providing borrower or renter relief that goes beyond the scope of the Coronavirus Aid, Relief, and Economic Security Act (the “CARES Act”), an economic stimulus bill enacted by Congress in March 2020 that contains a number of provisions aimed at providing relief for borrowers and renters experiencing financial hardship caused by the COVID-19 pandemic. Actions taken by federal, state or local lawmakers to provide additional relief to borrowers and renters during the COVID-19 outbreak, depending on their scope and whether and to what extent they apply to our business, could have a material adverse effect on our business and financial results.

Proposed 2021 Housing Goals and Temporary Adjustments to Duty to Serve Program

In July 2020, FHFA published proposed single-family and multifamily housing goals for Fannie Mae and Freddie Mac for 2021. In the past, FHFA has proposed housing goals for a three-year period, but due to the COVID-19 pandemic and associated economic uncertainty, FHFA proposed benchmark levels for only the 2021 calendar year. Under FHFA’s proposed rule, the benchmark levels for our single-family and multifamily housing goals would remain the same as those currently applicable for 2020. Comments on the proposed rule are due in September 2020. FHFA will issue a final rule after considering the comments received on the proposed rule.

Also in response to the disruption and uncertainty caused by the pandemic, in July 2020 FHFA approved temporary adjustments to our duty-to-serve obligations. As a result, the duty-to-serve plan we submit in September 2020 will extend our current plan by one year, so that it covers 2018 to 2021, rather than covering 2021 to 2023 in a new plan. FHFA expects our next proposed three-year plan, which will be due to FHFA in May 2021, will cover 2022 to 2024. In addition, FHFA provided guidance clarifying how FHFA will take into account market conditions when evaluating our 2020 and 2021 achievements under our duty-to-serve plan.

Possible Designation of Secondary Mortgage Market Activities as Systemically Important

In December 2019, the Financial Stability Oversight Counsel (the “FSOC”) finalized new interpretive guidance on designating nonbank financial companies as systemically important financial institutions. The guidance implemented an “activities-based” approach to identifying and addressing potential risks to financial stability, providing for entity-specific designations only if a potential risk cannot adequately be addressed through an activities-based approach. In July 2020, the FSOC announced that it will begin an activities-based review of the secondary mortgage market to assess both the risk that activities in the secondary mortgage market pose to the stability of the financial system and the efficacy of various risk mitigants. If the FSOC designates us as a systemically important financial institution following this review, we would become subject to additional regulation and oversight by the Federal Reserve Board. See “Risk Factors” in our 2019 Form 10-K for discussions of our uncertain future and how regulatory actions could negatively impact our business, results of operations, financial condition or net worth.

Swap Transactions; Minimum Capital and Margin Requirements

As a result of the Dodd-Frank Wall Street Reform and Consumer Protection Act, we are required to submit new swap transactions for clearing to a derivatives clearing organization. Additionally, in October 2015, an inter-agency body of regulators issued a final rule under the act governing margin and capital requirements applicable to entities that are subject to their oversight. The rule is effective in two phases and each phase requires that we implement operational changes and changes relating to the collateral we collect and provide for swap transactions. The first phase of the rule became effective in 2017. Effectiveness of the second phase of the rule was scheduled for September 2020, but was delayed in June 2020 to September 2021 in light of exigent circumstances caused by the COVID-19 pandemic. This phase will require additional operational changes and changes to collateral requirements, which may increase the costs associated with hedging our retained mortgage portfolio.

Transition from LIBOR to Alternative Reference Rates

We continue working with the Alternative Reference Rates Committee (the “ARRC”), FHFA, Freddie Mac, and other industry participants on a process to replace LIBOR by the end of 2021. In May 2020, we announced that we will cease issuing LIBOR-indexed Single-Family and Multifamily Connecticut Avenue Securities® (“CAS”) products by the end of the fourth quarter of 2020. We expect that any CAS products we issue after that time would be based on the Secured Overnight Financing Rate (“SOFR”). We also announced that we expected to begin offering SOFR-indexed Real Estate Mortgage Investment Conduit securities (“REMICs”) and interest-only and principal-only strip securities (“SMBS”) beginning in July 2020, and that we will cease issuing new LIBOR-indexed REMICs and SMBS no later than September 30, 2020.

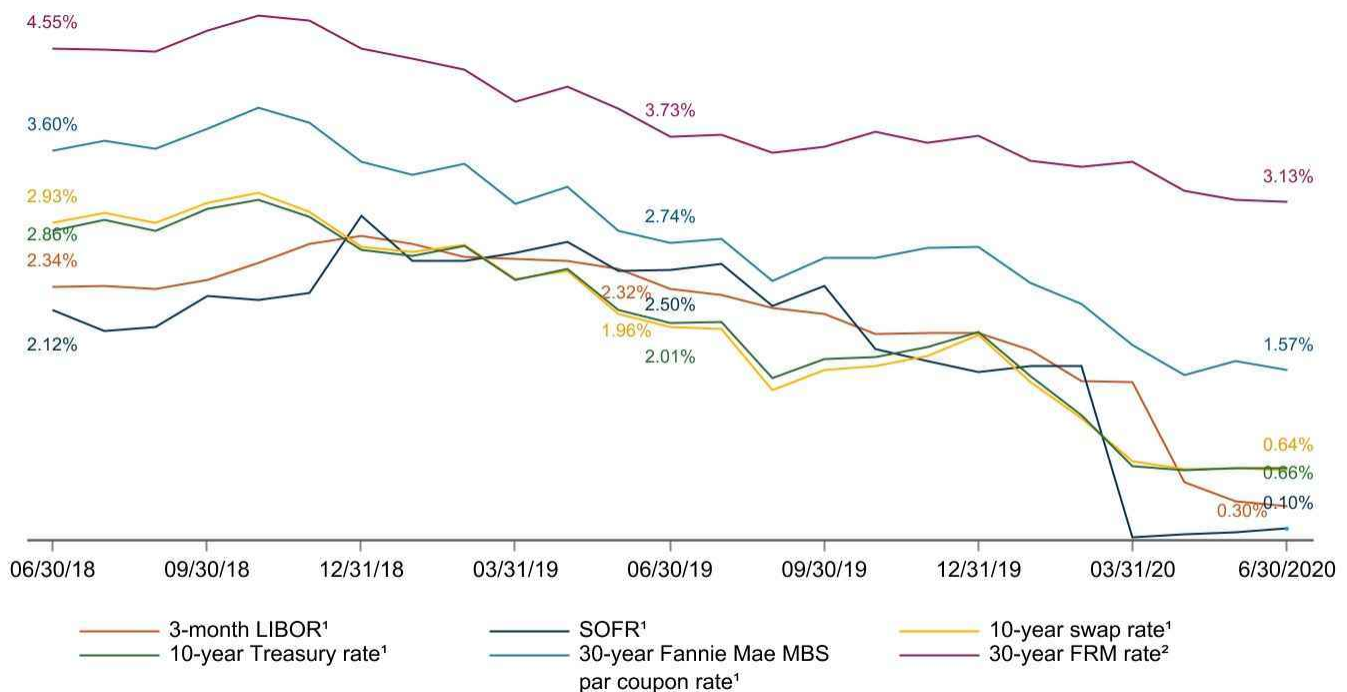
Working with FHFA, in May 2020 we also jointly published with Freddie Mac a LIBOR transition playbook and issued frequently asked questions (“FAQs”) that provide answers regarding Fannie Mae’s and Freddie Mac’s transition away from LIBOR-indexed products to SOFR-indexed products. Fannie Mae and Freddie Mac also each launched a LIBOR transition web page that serves as a resource for lenders, servicers, investors and vendors to access key updates and information during the shift from LIBOR to alternative reference rates.

Key Market Economic Indicators

The COVID-19 pandemic has had a significant adverse effect on both the U.S. and global economies. Below we discuss how varying macroeconomic conditions can influence our financial results across different business and economic environments. See “Executive Summary—COVID-19 Impact” for additional information on the effects of the pandemic on the economy and the uncertainty associated with its ultimate impact on our business and financial results.

Our forecasts and expectations relating to the impact of the COVID-19 pandemic are subject to many uncertainties and may change, perhaps substantially, from our current forecasts and expectations.

Selected Benchmark Interest Rates



(1) According to Bloomberg.

(2) Refers to the U.S. weekly average fixed-rate mortgage rate according to Freddie Mac's Primary Mortgage Market Survey[®]. These rates are reported using the latest available data for a given period.

How interest rates can affect our financial results

- Net interest income.** In a rising interest-rate environment, our mortgage loans tend to prepay more slowly, which typically results in lower net amortization income from cost basis adjustments on mortgage loans and related debt. Conversely, in a declining interest-rate environment, our mortgage loans tend to prepay faster, typically resulting in higher net amortization income from cost basis adjustments on mortgage loans and related debt.
- Fair value gains (losses).** We have exposure to fair value gains and losses resulting from changes in interest rates, primarily through our mortgage commitment derivatives and risk management derivatives, which we mark to market through earnings. Fair value gains and losses on our mortgage commitment derivatives fluctuate depending on how interest rates and prices move between the time the commitment is opened and settled. The net position and composition across the yield curve of our risk management derivatives changes over time. As a result, interest rate changes (increases or decreases) and yield curve changes (parallel, steepening or flattening shifts) will generate varying amounts of fair value gains or losses in a given period. We are preparing to implement hedge accounting to reduce the impact of interest-rate volatility on our financial results. For additional information on the expected impact of hedge accounting, see “Consolidated Results of Operations—Fair Value Losses, Net.”
- Credit-related income (expense).** Increases in mortgage interest rates tend to lengthen the expected lives of our loans, which generally increases the expected impairment and provision for credit losses on such loans. Decreases in mortgage interest rates tend to shorten the expected lives of our loans, which reduces the impairment and provision for credit losses on such loans.

Single-Family Quarterly Home Price Growth Rate⁽¹⁾

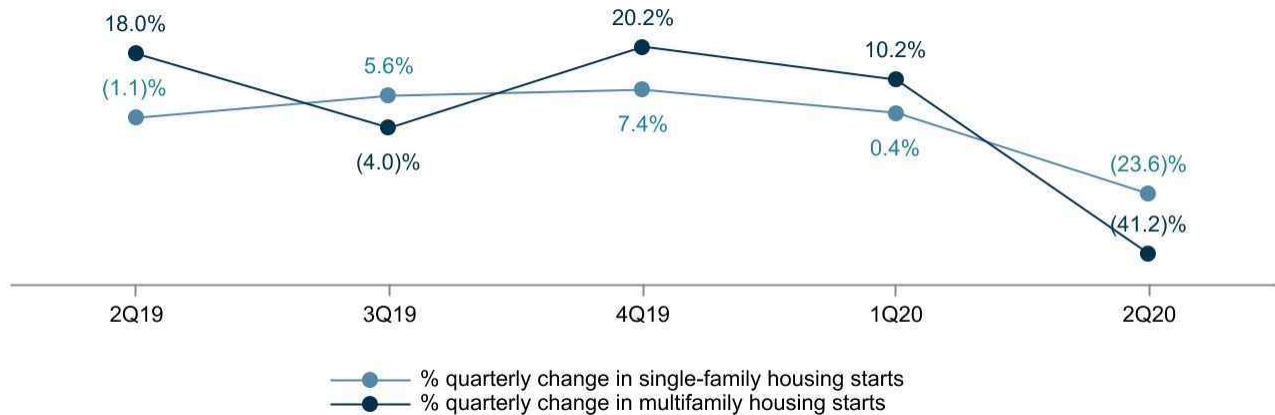


⁽¹⁾ Calculated internally using property data on loans purchased by Fannie Mae, Freddie Mac, and other third-party home sales data. Fannie Mae's home price index is a weighted repeat transactions index, measuring average price changes in repeat sales on the same properties. Fannie Mae's home price index excludes prices on properties sold in foreclosure. Fannie Mae's home price estimates are based on preliminary data and are subject to change as additional data become available.

How home prices can affect our financial results

- Actual and forecasted home prices impact our provision or benefit for credit losses.
- Changes in home prices affect the amount of equity that borrowers have in their homes. Borrowers with less equity typically have higher delinquency and default rates.
- As home prices increase, the severity of losses we incur on defaulted loans that we hold or guarantee decreases because the amount we can recover from the properties securing the loans increases. Decreases in home prices increase the losses we incur on defaulted loans.
- Home prices in the second quarter of 2020 remained relatively strong despite the COVID-19 pandemic. We believe home prices benefited from continuing low levels of supply and high levels of demand due to historically low interest rates, particularly from first-time homebuyers, and a greater contraction in supply than in demand since the start of the pandemic. Higher-than-expected increases in supply or decreases in demand could lead to substantial decreases in home prices.
- We currently expect home prices on a national basis to moderate slightly to 4.4% growth in 2020, compared with the 4.8% home price growth rate in 2019. Our current expectations for home price growth in 2020 have increased significantly from our first-quarter estimate of near-zero growth for the year. This improvement in our 2020 home price growth forecast is due to better-than-expected home sales data in the first half of the year. However, we have adjusted downward our longer-term projection of home price growth as we believe there may be a delayed response in home prices due to the ongoing economic and labor market weaknesses caused by the pandemic. We also expect significant regional variation in the timing and rate of home price growth.
- Our forecasts and expectations relating to the impact of the COVID-19 pandemic are subject to many uncertainties and may change, perhaps substantially, from our current forecasts and expectations. For example, home price growth could slow and potentially decline if GDP growth is weaker than we currently expect, unemployment, particularly among existing homeowners and potential new home buyers, is higher than we expect, or if the housing market is more sensitive to economic and labor-market weaknesses than we expect. For further discussion on housing activity, see "Single-Family Business—Single-Family Mortgage Market" and "Multifamily Business—Multifamily Mortgage Market."

New Housing Starts⁽¹⁾

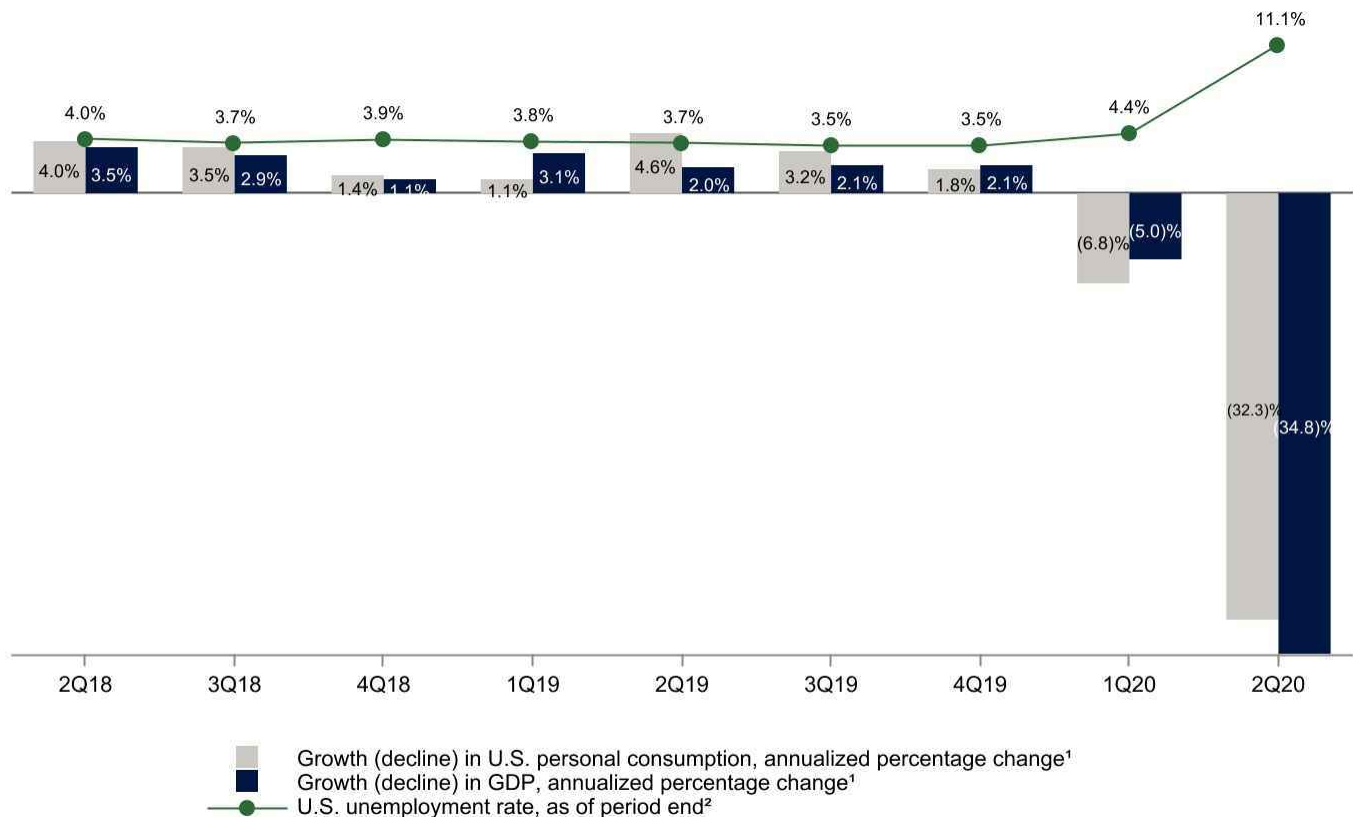


⁽¹⁾ According to U.S. Census Bureau and subject to revision.

How housing activity can affect our financial results

- Two key aspects of economic activity that can impact supply and demand for housing and thus mortgage lending are the rate of household formation and new housing construction.
- Household formation is a key driver of demand for both single-family and multifamily housing. A newly formed household will either rent or purchase a home. Thus, changes in the pace of household formation can affect prices and credit performance as well as the degree of loss on defaulted loans.
- Growth of household formation stimulates homebuilding. Homebuilding has typically been a cyclical leader of broader economic activity contributing to the growth of GDP and to employment. Residential construction activity has historically been a leading indicator, weakening prior to a slowdown in U.S. economic activity and accelerating prior to a recovery. However, the 2008-2009 recession was significantly impacted by real estate and real estate finance. Therefore, various policy responses were targeted to real estate and real estate finance, potentially altering the cyclical performance of the real estate sector. Due to the adverse nature of the current economic situation, the housing sector's performance may vary from its historical precedent.
- In light of the uncertainties surrounding the effects of the COVID-19 pandemic and its impact on the economy, home sales fell sharply in the second quarter; however, we expect a partial rebound in the third quarter as purchase demand is supported by the low mortgage-rate environment. This trend is expected to increase single-family housing starts in the third quarter, though we still expect full-year 2020 single-family housing starts to decline.
- A decline in housing starts results in fewer new homes being available for purchase and potentially a lower volume of mortgage originations. Construction activity can also affect credit losses. If the growth of demand exceeds the growth of supply, prices will appreciate and impact the risk profile of newly originated home purchase mortgages, depending on where in the housing cycle the market is. A reduced pace of construction is often associated with a broader economic slowdown and signals expected increases in delinquency and losses on defaulted loans.

GDP, Unemployment Rate and Personal Consumption



(1) GDP growth (decline) and personal consumption growth (decline) for periods prior to the second quarter of 2020 are based on the quarterly series calculated by the Bureau of Economic Analysis and are subject to revision. GDP growth (decline) and personal consumption growth (decline) for the second quarter of 2020 are based on Fannie Mae's forecast.

(2) According to the U.S. Bureau of Labor Statistics and subject to revision.

How GDP, the unemployment rate and personal consumption can affect our financial results

- Changes in GDP, the unemployment rate and personal consumption can affect several mortgage market factors, including the demand for both single-family and multifamily housing and the level of loan delinquencies.
- Economic growth is a key factor for the performance of mortgage-related assets. In a growing economy, employment and income are rising, thus allowing existing borrowers to meet payment requirements, existing homeowners to consider purchasing another home, and renters to consider becoming homeowners. Homebuilding typically increases to meet the rise in demand. Mortgage delinquencies typically fall in an expanding economy, thereby decreasing credit losses.
- In a slowing economy, employment and income growth slow and housing activity slows as an early indicator of reduced economic activity. As the slowdown intensifies, households become more conservative and debt repayment takes precedence over consumption, which then falls and accelerates the slowdown. If the slowdown of economic growth turns to recession, employment losses occur impairing the ability of borrowers and renters to meet mortgage and rental payments, and loan delinquencies rise. Home sales and mortgage originations also typically fall in a slowing economy.
- Due to the impact of COVID-19, the unemployment rate rose significantly and GDP declined significantly in the first half of 2020. While we expect GDP to improve in the second half of the year, overall for 2020 we expect a decline in GDP compared with 2019, as well as elevated unemployment levels.

See "Risk Factors—Market and Industry Risk" in our 2019 Form 10-K and "Risk Factors" in this report for further discussion of risks to our business and financial results associated with interest rates, home prices, housing activity and economic conditions.

Consolidated Results of Operations

This section discusses our condensed consolidated results of operations and should be read together with our condensed consolidated financial statements and the accompanying notes.

Summary of Condensed Consolidated Results of Operations

	For the Three Months Ended June 30,			For the Six Months Ended June 30,		
	2020	2019	Variance	2020	2019	Variance
	(Dollars in millions)					
Net interest income ⁽¹⁾	\$ 5,777	\$ 5,227	\$ 550	\$ 11,124	\$ 10,023	\$ 1,101
Fee and other income	90	113	(23)	210	247	(37)
Net revenues	5,867	5,340	527	11,334	10,270	1,064
Investment gains (losses), net	149	461	(312)	(9)	594	(603)
Fair value losses, net	(1,018)	(754)	(264)	(1,294)	(1,585)	291
Administrative expenses	(754)	(744)	(10)	(1,503)	(1,488)	(15)
Credit-related income (expenses):						
Benefit (provision) for credit losses	(12)	1,225	(1,237)	(2,595)	1,875	(4,470)
Foreclosed property expense	(10)	(128)	118	(90)	(268)	178
Total credit-related income (expenses)	(22)	1,097	(1,119)	(2,685)	1,607	(4,292)
Temporary Payroll Tax Cut Continuation Act of 2011 ("TCCA") fees	(660)	(600)	(60)	(1,297)	(1,193)	(104)
Credit enhancement expense ⁽²⁾	(360)	(276)	(84)	(736)	(492)	(244)
Change in expected credit enhancement recoveries ⁽³⁾	273	—	273	461	—	461
Other expenses, net ⁽⁴⁾	(261)	(203)	(58)	(479)	(365)	(114)
Income before federal income taxes	3,214	4,321	(1,107)	3,792	7,348	(3,556)
Provision for federal income taxes	(669)	(889)	220	(786)	(1,516)	730
Net income	\$ 2,545	\$ 3,432	\$ (887)	\$ 3,006	\$ 5,832	\$ (2,826)
Total comprehensive income	\$ 2,532	\$ 3,365	\$ (833)	\$ 3,008	\$ 5,726	\$ (2,718)

⁽¹⁾ Prior-period amounts have been adjusted to reflect the current-year change in presentation related to our yield maintenance fees. See "Note 1, Summary of Significant Accounting Policies" for more information about our change in presentation.

⁽²⁾ Previously included in Other expenses, net. Consists of costs associated with our freestanding credit enhancements, which primarily include our Connecticut Avenue Securities[®] ("CAS") and Credit Insurance Risk Transfer[™] ("CIRT[™]") programs, enterprise-paid mortgage insurance ("EPMI"), and certain lender risk-sharing programs. See "Note 1, Summary of Significant Accounting Policies" for more information about our change in presentation.

⁽³⁾ Consists of change in benefits recognized from our freestanding credit enhancements, including any realized amounts. See "Note 1, Summary of Significant Accounting Policies" for more information about our change in presentation.

⁽⁴⁾ Consists of debt extinguishment gains and losses, housing trust fund expenses, loan subservicing costs, servicer fees paid in connection with certain loss mitigation activities, and gains and losses from partnership investments.

Net Interest Income

Our primary source of net interest income is guaranty fees we receive for managing the credit risk on loans underlying Fannie Mae MBS held by third parties.

Guaranty fees consist of two primary components:

- base guaranty fees that we receive over the life of the loan; and
- upfront fees that we receive at the time of loan acquisition primarily related to single-family loan-level pricing adjustments and other fees we receive from lenders, which are amortized into net interest income as cost basis adjustments over the contractual life of the loan. We refer to this as amortization income.

We recognize almost all of our guaranty fee revenue in net interest income because we consolidate the substantial majority of loans underlying our Fannie Mae MBS in consolidated trusts in our condensed consolidated balance sheets. Those guaranty fees are the primary component of the difference between the interest income on loans in consolidated trusts and the interest expense on the debt of consolidated trusts.

The timing of when we recognize amortization income can vary based on a number of factors, the most significant of which is a change in mortgage interest rates. In a rising interest-rate environment, our mortgage loans tend to prepay more slowly, which typically results in lower net amortization income. Conversely, in a declining interest-rate environment, our mortgage loans tend to prepay faster, typically resulting in higher net amortization income.

We also recognize net interest income on the difference between interest income earned on the assets in our retained mortgage portfolio and our other investments portfolio (collectively, our “portfolios”) and the interest expense associated with the debt that funds those assets. See “Retained Mortgage Portfolio” and “Liquidity and Capital Management—Liquidity Management—Other Investments Portfolio” for more information about our portfolios.

The table below displays the components of our net interest income from our guaranty book of business, which we discuss in “Guaranty Book of Business,” and from our portfolios. Prior period amounts have been adjusted to reflect the current year change in presentation related to our yield maintenance fees.

Components of Net Interest Income

	For the Three Months Ended June 30,			For the Six Months Ended June 30,		
	2020	2019	Variance	2020	2019	Variance
(Dollars in millions)						
Net interest income from guaranty book of business:						
Base guaranty fee income, net of TCCA	\$ 2,677	\$ 2,382	\$ 295	\$ 5,277	\$ 4,700	\$ 577
Base guaranty fee income related to TCCA ⁽¹⁾	660	600	60	1,297	1,193	104
Net amortization income	1,955	1,378	577	3,461	2,364	1,097
Total net interest income from guaranty book of business	5,292	4,360	932	10,035	8,257	1,778
Net interest income from portfolios	485	867	(382)	1,089	1,766	(677)
Total net interest income	\$ 5,777	\$ 5,227	\$ 550	\$ 11,124	\$ 10,023	\$ 1,101

⁽¹⁾ Represents revenues generated by the 10 basis point guaranty fee increase we implemented pursuant to the TCCA, the incremental revenue from which is remitted to Treasury and not retained by us.

Net interest income increased in the second quarter and first half of 2020 compared with the second quarter and first half of 2019, driven by higher net amortization income and higher base guaranty fee income, partially offset by lower income from portfolios.

- Net amortization income increased in the second quarter and first half of 2020 compared with the second quarter and first half of 2019 as a declining interest-rate environment in the first half of 2020 led to increased prepayments on mortgage loans, which accelerated the amortization of cost basis adjustments on mortgage loans of consolidated trusts and the related debt.
- Net interest income from base guaranty fees increased in the second quarter and first half of 2020 compared with the second quarter and first half of 2019 due to an increase in the size of our guaranty book of business and loans with higher base guaranty fees comprising a larger part of our guaranty book of business.
- Net interest income from portfolios decreased in the second quarter and first half of 2020 compared with the second quarter and first half of 2019 primarily due to lower yields on mortgage loans and assets in our other investments portfolio, partially offset by a decrease in interest expense on our funding debt as key benchmark rates declined as a result of the COVID-19 pandemic. For a discussion of the impact of COVID-19 on our funding needs and funding activity, see “Liquidity and Capital Management—Liquidity Management—Debt Funding.”

We expect mortgage rates to remain low through 2021, contributing to a significant amount of mortgage refinance activity and high levels of amortization income. Because a large portion of our book of business has been and is expected to be originated in a historically low interest rate environment, we anticipate that refinancing activity will decrease at some point as fewer borrowers can benefit from a refinancing or as interest rates rise. Lower levels of refinancing in the future will likely reduce the amount of amortization income we recognize.

Analysis of Deferred Amortization Income

We initially recognize mortgage loans and debt of consolidated trusts in our condensed consolidated balance sheets at fair value. The difference between the initial fair value and the carrying value of these instruments is recorded as a cost basis adjustment, either as a premium or a discount, in our condensed consolidated balance sheets. We amortize these cost basis adjustments over the contractual lives of the loans or debt. On a net basis, for mortgage loans and debt of consolidated trusts, we are in a premium position with respect to debt of consolidated trusts, which represents deferred income we will recognize in our condensed consolidated statements of operations and comprehensive income as amortization income in future periods.

Deferred Income Represented by Net Premium Position on Debt of Consolidated Trusts (Dollars in billions)



Analysis of Net Interest Income

We have updated the application of our accounting policy for nonaccrual loans in the current period for loans negatively impacted by COVID-19. As a result, for loans that were current as of March 1, 2020 and subsequently become delinquent, we continue to accrue interest income for up to six months pursuant to an April 2020 Interagency Statement on Loan Modifications and Reporting for Financial Institutions Working with Customers Affected by the Coronavirus (the "Interagency Statement"). If those loans are in a forbearance plan beyond six months of delinquency, we will continue to accrue interest income provided collection of principal and interest continues to be reasonably assured. As a result of this update, we recognized \$1.5 billion in net interest income related to these loans in the second quarter and first half of 2020. We also recognized \$172 million of provision for loan losses on the related accrued interest receivable as of June 30, 2020. This update also resulted in a significant portion of delinquent loans staying on accrual status. See "Note 1, Summary of Significant Accounting Policies" for more information about our accounting policy update and "Single-Family Business—Single-Family Mortgage Credit Risk Management—Single-Family Problem Loan Management" and "Multifamily Business—Multifamily Mortgage Credit Risk Management" for details about loans in a forbearance plan, as well as on-balance sheet loans past due 90 days or more and continuing to accrue interest.

The table below displays an analysis of our net interest income, average balances, and related yields earned on assets and incurred on liabilities. For most components of the average balances, we use a daily weighted average of unpaid principal balance net of unamortized cost basis adjustments. When daily average balance information is not available, such as for mortgage loans, we use monthly averages. Prior-period amounts have been adjusted to reflect the current-year change in presentation related to our yield maintenance fees.

Analysis of Net Interest Income and Yield⁽¹⁾

	For the Three Months Ended June 30,					
	2020			2019		
	Average Balance	Interest Income/(Expense)	Average Rates Earned/Paid	Average Balance	Interest Income/(Expense)	Average Rates Earned/Paid
(Dollars in millions)						
Interest-earning assets:						
Mortgage loans of Fannie Mae	\$ 115,310	\$ 1,028	3.57 %	\$ 117,235	\$ 1,277	4.36 %
Mortgage loans of consolidated trusts	3,311,267	25,979	3.14	3,160,712	28,234	3.57
Total mortgage loans ⁽²⁾	3,426,577	27,007	3.15	3,277,947	29,511	3.60
Mortgage-related securities	10,976	116	4.23	9,794	107	4.37
Non-mortgage-related securities ⁽³⁾	103,935	129	0.49	60,184	370	2.43
Federal funds sold and securities purchased under agreements to resell or similar arrangements	46,487	14	0.12	40,851	257	2.49
Advances to lenders	7,917	25	1.25	4,936	41	3.28
Total interest-earning assets	\$ 3,595,892	\$ 27,291	3.04 %	\$ 3,393,712	\$ 30,286	3.57 %
Interest-bearing liabilities:						
Short-term funding debt	\$ 50,777	\$ (54)	0.42 %	\$ 19,613	\$ (119)	2.40 %
Long-term funding debt	189,906	(777)	1.64	173,871	(1,102)	2.54
Connecticut Avenue Securities [®] ("CAS")	18,993	(219)	4.61	24,277	(376)	6.20
Total debt of Fannie Mae	259,676	(1,050)	1.62	217,761	(1,597)	2.93
Debt securities of consolidated trusts held by third parties	3,350,210	(20,464)	2.44	3,167,754	(23,462)	2.96
Total interest-bearing liabilities	\$ 3,609,886	\$ (21,514)	2.38 %	\$ 3,385,515	\$ (25,059)	2.96 %
Net interest income/net interest yield		\$ 5,777	0.64 %		\$ 5,227	0.62 %

For the Six Months Ended June 30,

	2020			2019		
	Average Balance	Interest Income/(Expense)	Average Rates Earned/Paid	Average Balance	Interest Income/(Expense)	Average Rates Earned/Paid
(Dollars in millions)						
Interest-earning assets:						
Mortgage loans of Fannie Mae	\$ 108,668	\$ 2,044	3.76 %	\$ 118,567	\$ 2,600	4.39 %
Mortgage loans of consolidated trusts	3,287,673	53,901	3.28	3,156,951	56,773	3.60
Total mortgage loans ⁽²⁾	3,396,341	55,945	3.29	3,275,518	59,373	3.63
Mortgage-related securities	10,926	215	3.94	9,420	209	4.44
Non-mortgage-related securities ⁽³⁾	84,370	377	0.88	60,507	748	2.46
Federal funds sold and securities purchased under agreements to resell or similar arrangements	37,911	121	0.63	41,190	520	2.51
Advances to lenders	7,167	59	1.63	4,320	73	3.36
Total interest-earning assets	\$ 3,536,715	\$ 56,717	3.21 %	\$ 3,390,955	\$ 60,923	3.59 %
Interest-bearing liabilities:						
Short-term funding debt	\$ 41,309	\$ (156)	0.75 %	\$ 20,160	\$ (244)	2.41 %
Long-term funding debt	162,661	(1,564)	1.92	176,497	(2,216)	2.51
Connecticut Avenue Securities® (“CAS”)	19,765	(508)	5.14	24,579	(758)	6.17
Total debt of Fannie Mae	223,735	(2,228)	1.99	221,236	(3,218)	2.91
Debt securities of consolidated trusts held by third parties	3,315,963	(43,365)	2.62	3,162,108	(47,682)	3.02
Total interest-bearing liabilities	\$ 3,539,698	\$ (45,593)	2.58 %	\$ 3,383,344	\$ (50,900)	3.01 %
Net interest income/net interest yield		\$ 11,124	0.63 %		\$ 10,023	0.59 %

⁽¹⁾ Includes the effects of discounts, premiums and other cost basis adjustments.

⁽²⁾ Average balance includes mortgage loans on nonaccrual status. For nonaccrual mortgage loans not subject to the COVID-19-related nonaccrual guidance, interest income is recognized when cash is received. Interest income from the amortization of loan fees, primarily consisting of upfront cash fees and yield maintenance fees, was \$2.4 billion and \$4.0 billion, respectively, for the second quarter and first half of 2020, compared with \$1.4 billion and \$2.5 billion, respectively, for the second quarter and first half of 2019.

⁽³⁾ Consists of cash, cash equivalents and U.S Treasury securities.

Investment Gains (Losses), Net

Investment gains (losses), net primarily includes gains and losses recognized from the sale of available-for-sale (“AFS”) securities, the sale of loans, gains and losses recognized on the consolidation and deconsolidation of securities, net of other-than-temporary impairments recognized on our investments, and the lower of cost or fair value adjustments on single-family held-for-sale (“HFS”) loans.

Investment gains decreased in the second quarter of 2020, compared with the second quarter of 2019, as a result of a decline in sales of single-family HFS loans. We recognized investment losses in the first half of 2020, compared with investment gains in the first half of 2019, as a result of a decrease in sales of single-family HFS loans and a decline in the fair value of single-family HFS loans driven by price decreases during the first half of 2020.

Fair Value Losses, Net

The estimated fair value of our derivatives, trading securities and other financial instruments carried at fair value may fluctuate substantially from period to period because of changes in interest rates, the yield curve, mortgage and credit spreads and implied volatility, as well as activity related to these financial instruments. While the estimated fair value of our derivatives that mitigate certain risk exposures may fluctuate, some of the financial instruments that generate these exposures are not recorded at fair value in our condensed consolidated financial statements.

We are preparing to implement fair value hedge accounting to reduce the impact of interest-rate volatility on our financial results. Once implemented, for derivatives in designated hedges, fair value gains and losses attributable to changes in certain benchmark interest rates, such as LIBOR or SOFR, may be reduced by offsetting gains and losses in the fair value of designated hedged mortgage loans or debt. Therefore, we expect the volatility of our financial results associated with changes in interest rates will be reduced substantially. We expect fair value gains and losses driven by other factors, such as credit spreads, will remain.

The table below displays the components of our fair value gains and losses.

Fair Value Losses, Net

	For the Three Months Ended June 30,		For the Six Months Ended June 30,	
	2020	2019	2020	2019
	(Dollars in millions)			
Risk management derivatives fair value losses attributable to:				
Net contractual interest expense on interest-rate swaps	\$ (64)	\$ (242)	\$ (170)	\$ (508)
Net change in fair value during the period	126	(125)	(129)	(247)
Total risk management derivatives fair value gains (losses), net	62	(367)	(299)	(755)
Mortgage commitment derivatives fair value losses, net	(662)	(469)	(1,655)	(769)
Credit enhancement derivatives fair value gains (losses), net	31	(17)	20	(24)
Total derivatives fair value losses, net	(569)	(853)	(1,934)	(1,548)
Trading securities gains, net	135	183	782	275
CAS debt fair value gains (losses), net	(163)	119	474	97
Other, net ⁽¹⁾	(421)	(203)	(616)	(409)
Fair value losses, net	\$ (1,018)	\$ (754)	\$ (1,294)	\$ (1,585)

⁽¹⁾ Consists of fair value gains and losses on non-CAS debt and mortgage loans held at fair value.

Our fair value losses in the second quarter and first half of 2020 were impacted by market disruptions due to COVID-19 that resulted in lower interest rates.

Fair value losses in the second quarter of 2020 were primarily driven by:

- decreases in the fair value of mortgage commitment derivatives due to losses on commitments to sell mortgage-related securities as prices increased during the commitment period as interest rates declined, which were partially offset by gains on commitments to buy mortgage-related securities;
- increases in the fair value of long-term debt of consolidated trusts held at fair value, which are included in "Other, net," due to declines in interest rates; and
- losses on CAS debt reported at fair value resulting from tightening spreads between CAS debt yields and LIBOR during the period.

These losses were partially offset by fair value gains in the second quarter of 2020 on trading securities primarily driven by declines in interest rates, which resulted in gains on mortgage-related securities held in our retained mortgage portfolio.

Fair value losses in the first half of 2020 were primarily driven by:

- decreases in the fair value of mortgage commitment derivatives due to losses on commitments to sell mortgage-related securities as prices increased during the commitment period as interest rates declined, which were partially offset by gains on commitments to buy mortgage-related securities;
- increases in the fair value of long-term debt of consolidated trusts held at fair value, which are included in "Other, net," due to declines in interest rates; and
- net interest expense on risk management derivatives combined with decreases in the fair value of pay-fixed risk management derivatives due to declines in swap rates, which were partially offset by increases in the fair value of receive-fixed risk management derivatives.

These losses were partially offset by fair value gains in the first half of 2020 on trading securities and CAS debt, primarily driven by declines in interest rates and widened spreads between CAS debt yields and LIBOR, which resulted in gains on fixed-rate securities held in our other investments portfolio and our CAS debt held at fair value.

Fair value losses in the second quarter and first half of 2019 were primarily driven by:

- decreases in the fair value of our mortgage commitment derivatives due to losses on commitments to sell mortgage-related securities as a result of increases in the prices of securities as interest rates decreased during the commitment periods;
- net interest expense accruals on risk management derivatives combined with decreases in the fair value of pay-fixed risk management derivatives due to declines in longer-term swap rates, which were partially offset by increases in the fair value of our receive-fixed risk management derivatives; and
- increases in the fair value of our long-term debt of consolidated trusts held at fair value, which are included in "Other, net," due to declines in interest rates.

Credit-Related Income (Expense)

Our credit-related income or expense can vary substantially from period to period based on a number of factors, such as changes in actual and forecasted home prices or property valuations, fluctuations in actual and forecasted interest rates, borrower payment behavior, events such as natural disasters or pandemics, the types and volume of our loss mitigation activities, including forbearance and loan modifications, the volume of foreclosures completed, and the redesignation of loans from held for investment (“HFI”) to HFS. In recent periods, the redesignation of certain reperforming and nonperforming single-family loans has been a significant driver of credit-related income. We expect this activity to have a significantly reduced impact in 2020. We suspended new sales of nonperforming and reperforming loans in the second quarter of 2020, as investor interest in purchasing these loans was severely impacted by the COVID-19 pandemic and its effects. Investor interest in purchasing reperforming loans has recently returned, and therefore we are considering resuming sales of reperforming loans. As investor interest in purchasing nonperforming loans has not returned, we do not anticipate entering into new contracts for sales of these loans in the near future.

Our credit-related income or expense and our loss reserves can also be impacted by updates to the models, assumptions and data used in determining our allowance for loan losses. The January 1, 2020 CECL standard implementation introduced additional volatility in our financial results as credit-related income or expense now includes expected lifetime losses on our loans and thus are sensitive to fluctuations in the factors detailed above.

In the first quarter of 2020, we increased our allowance for loan losses due to our estimate of loan losses we expect to incur as a result of the COVID-19 pandemic, using an expected lifetime loss methodology. This increase was the primary driver of credit-related expense in the first half of 2020. An increase in our estimate of multifamily credit losses and an offsetting decrease in our estimate of single-family credit losses, contributed to modest credit-related expense in the second quarter of 2020.

Estimating the impact of the COVID-19 pandemic on our expected credit loss reserves required significant management judgment as we continue to observe uncertainty in our economic forecast caused by elevated levels of unemployment, the impact of fiscal stimulus actions, and variability surrounding the continued spread of COVID-19; thereby impacting projected borrower behavior. We applied management judgment in estimating the number of single-family borrowers who will receive forbearance and any resulting repayment plans, deferrals, or loan modifications that will be provided once the forbearance period ends. Under our CECL methodology, depending on the type of loan modification granted, loss severity estimates vary. In determining our allowance for loan losses as of June 30, 2020, we estimated that up to 12.5% of our single-family borrowers based on loan count and up to 10% of our multifamily guaranty book of business based on unpaid principal balance would ultimately receive forbearance due to a COVID-19-related financial hardship. This represents a downward revision from our March 31, 2020 estimate of up to 15% of single-family borrowers and up to 20% of our multifamily guaranty book of business and is based on recent economic data and actual forbearance activity observed in the second quarter of 2020. Although we believe our estimates underlying our allowance determination are reasonable, we may observe future volatility in these estimates as we continue to observe actual loan performance data and update our models and assumptions surrounding this unprecedented event. See “Single-Family Business—Single-Family Mortgage Credit Risk Management—Single-Family Problem Loan Management—Single-Family Loans in Forbearance” and “Multifamily Business—Multifamily Mortgage Credit Risk Management—Multifamily Problem Loan Management and Foreclosure Prevention” for information on our loans in forbearance.

Benefit (Provision) for Credit Losses

The table below provides a quantitative analysis of the drivers for the second quarter and first half of 2020 of our single-family and multifamily provision for credit losses and the increase in expected benefit from freestanding credit enhancements. The provision for credit losses includes our provision for loan losses and the related accrued interest receivable on our book of business as well as our provision for our guaranty loss reserves. It excludes the transition impact of adopting the CECL standard, which was recorded as an adjustment to retained earnings as of January 1, 2020. Many of the drivers that contribute to our provision for credit losses overlap or are interdependent. The attribution shown below is based on internal allocation estimates.

Components of Provision for Credit Losses and Change in Expected Credit Enhancement Recoveries

	For the Three Months Ended June 30, 2020		For the Six Months Ended June 30, 2020	
	(Dollars in millions)			
Single-family benefit (provision) for credit losses:				
Changes in loan activity ⁽¹⁾	\$	(70)	\$	(67)
Redesignation of loans from HFI to HFS		—		175
Actual and forecasted home prices		337		(584)
Actual and projected interest rates		84		1,341
Estimated impact of the COVID-19 pandemic ⁽²⁾		(3)		(2,590)
Other ⁽³⁾		(129)		(226)
Single-family benefit (provision) for credit losses		219		(1,951)
Multifamily provision for credit losses:				
Changes in loan activity ⁽¹⁾		(52)		(74)
Actual and projected interest rates		58		274
Actual and projected economic data and estimated impact of the COVID-19 pandemic		(261)		(874)
Other ⁽³⁾		24		33
Multifamily provision for credit losses		(231)		(641)
Total provision for credit losses ⁽⁴⁾	\$	(12)	\$	(2,592)
Change in expected credit enhancement recoveries: ⁽⁵⁾				
Single-family	\$	208	\$	266
Multifamily		65		192
Total change in expected credit enhancement recoveries	\$	273	\$	458

⁽¹⁾ Primarily consists of loan liquidations, new troubled debt restructurings (“TDRs”), amortization of concessions granted to borrowers and the impact of FHFA’s Advisory Bulletin 2012-02, “Framework for Adversely Classifying Loans, Other Real Estate Owned, and Other Assets and Listing Assets for Special Mention” (the “Advisory Bulletin”). For multifamily, changes in loan activity also includes changes in the allowance due to loan delinquencies and the impact of changes in debt service coverage ratios (“DSCRs”) based on updated property financial information.

⁽²⁾ Includes changes in the allowance due to actual and expected loan delinquencies.

⁽³⁾ Includes provision for allowance on accrued interest receivable.

⁽⁴⁾ Excludes credit losses on our AFS securities, which are included in “Benefit (provision) for credit losses” in Summary of Condensed Consolidated Results of Operations.

⁽⁵⁾ Excludes recoveries received after foreclosure, which are included in “Changes in expected credit enhancement recoveries” in Summary of Condensed Consolidated Results of Operations.

The primary factors that impacted our single-family benefit (provision) for credit losses in the second quarter and first half of 2020 were:

- *Expected credit losses as a result of the COVID-19 pandemic*, which includes adjustments to modeled results. In the first quarter of 2020, the rapidly changing conditions as a result of the unprecedented COVID-19 pandemic caused us to believe our model used to estimate single-family credit losses does not capture the entirety of losses we expect to incur relating to COVID-19, which includes our expectations surrounding loan forbearance and borrower behavior once the forbearance period ends. As a result, management used its judgment to increase the loss projections developed by our credit loss model in the first quarter of 2020 by \$2.5 billion.

During the second quarter of 2020 our credit loss model consumed data from the initial months of the pandemic, including loan delinquencies, updated profile data for loans in forbearance, and an updated home price forecast. As more of this data was consumed by our credit loss model, we reduced our non-modeled adjustment. However, management continued to apply its judgment and supplement model results as of June 30, 2020, taking into account uncertainty regarding the type and extent of loss mitigation that may be needed when loans complete their forbearance period and the continued high degree of uncertainty regarding the future course of the pandemic and its effect on the economy, including the continued availability of fiscal stimulus to support borrowers.

For the second quarter of 2020, our estimate of expected losses due to the pandemic, which includes both modeled and non-modeled adjustments, remained relatively flat compared with the first quarter. A reduction in overall expected forbearance volumes was offset by a weaker credit profile for loans entering forbearance. Furthermore, the positive impact of higher-than-initially-expected borrower prepayment activity was offset by heightened uncertainty as noted above. When taken together, the net impact for the second quarter was a \$3 million increase to expected losses as shown in the table above.

- *Changes in our expectations for home price growth.* In the first quarter, we significantly reduced our expectations for home price growth to near-zero for 2020, which contributed to our provision for credit losses for the period. However, the negative impact from the first quarter was partially reduced in the second quarter as we revised our home price forecast to reflect an increase in home price appreciation on a national basis for 2020 based on strong home sales data for the period. This improvement in the 2020 home price forecast was partially offset by our updated long-term projected home price growth estimate, which was lowered as a result of a longer projected economic recovery period. Higher home prices decrease the likelihood that loans will default and decrease the amount of credit loss on loans that do default, which impacts our estimate of losses and ultimately decreases our loss reserves and provision for credit losses. Conversely, lower home prices increase the likelihood that loans will default, thereby increasing loss reserves and provision for credit losses.
- *Credit benefit from lower actual and projected mortgage interest rates.* As mortgage interest rates decline, we expect an increase in future prepayments on single-family loans, including modified loans. Higher expected prepayments shorten the expected lives of modified loans, which decreases the expected impairment relating to term and interest-rate concessions provided on these loans and results in a benefit for credit losses.

Our multifamily provision for credit losses in the second quarter and first half of 2020 was primarily driven by:

- *Actual and projected economic data and expected credit losses as a result of the COVID-19 pandemic.* Similar to the single-family provision for credit losses discussed above, we believe our model used to estimate multifamily credit losses as of June 30, 2020 does not capture the entirety of losses we expect to incur relating to COVID-19. As a result, management used its judgment to increase the loss projections developed by our credit loss model to reflect our current expectations relating to the impact of the pandemic. Accordingly, our multifamily provision for credit losses was primarily driven by elevated unemployment rates compared with pre-COVID-19 levels. We expect higher unemployment rates will reduce the operating income of multifamily properties in the near term, resulting in an increase in the number of loans in forbearance. Additionally, property values are expected to decrease, increasing the probability of loan defaults.

In the second quarter, we increased our expected credit losses as a result of significant economic uncertainty and worsened forecasted capitalization rates. We also increased our expected credit losses on senior housing loans to reflect that these properties have been disproportionately impacted by the pandemic, which has resulted in increased operating expenses and has limited these borrowers' ability to attract new tenants. These increases in expected credit losses were partially offset by a reduction in our overall estimated forbearance volumes and lower actual and projected interest rates. In developing these adjustments, management considered the current credit risk profile of our multifamily loan book of business, as well as relevant historical credit loss experience during rare or stressful economic environments.

The table below provides quantitative analysis of the drivers for the second quarter and first half of 2019 of our single-family benefit for credit losses. The presentation of our components represents amounts recognized prior to our transition to the lifetime loss model prescribed by the CECL standard. Many of the drivers that contribute to our benefit for credit losses overlap or are interdependent. The attribution shown below is based on internal allocation estimates. The table does not include our multifamily benefit (provision) for credit losses as the amounts for 2019 were less than \$50 million.

Components of Benefit for Credit Losses

	For the Three Months Ended June 30, 2019	For the Six Months Ended June 30, 2019
	(Dollars in millions)	
Single-family benefit for credit losses:		
Changes in loan activity ⁽¹⁾	\$ 198	\$ 222
Redesignation of loans from HFI to HFS	423	650
Actual and forecasted home prices	312	540
Actual and projected interest rates	195	360
Other ⁽²⁾	124	141
Total single-family benefit for credit losses	\$ 1,252	\$ 1,913

⁽¹⁾ Primarily consists of changes in the allowance due to loan delinquency, loan liquidations, new TDRs, amortization of concessions granted to borrowers and the impact of FHFA's Advisory Bulletin.

⁽²⁾ Primarily consists of the impact of model and assumption changes and changes in the reserve for guaranty losses that are not separately included in the other components.

The primary factors that contributed to our benefit for credit losses in the second quarter and first half of 2019 were:

- The redesignation of certain reperforming single-family loans from HFI to HFS as we no longer intend to hold them for the foreseeable future or to maturity. Upon redesignation of these loans, we recorded the loans at the lower of cost or fair value with a charge-off to the allowance for loan losses. Amounts recorded in the allowance related to these loans exceeded the amounts charged off, which contributed to the benefit for credit losses.
- An increase in actual and forecasted home prices. Higher home prices decrease the likelihood that loans will default and reduce the amount of credit loss on loans that do default, which impacts our estimate of losses and ultimately reduces our loss reserves and provision for credit losses.
- Lower actual and projected mortgage interest rates. As mortgage interest rates decline, we expect an increase in future prepayments on single-family individually impaired loans, including modified loans. Higher expected prepayments shorten the expected lives of modified loans, which decreases the impairment relating to term and interest rate concessions provided on these loans and results in a decrease in the provision for credit losses.
- Changes in loan activity. Higher loan liquidation activity generally occurs during a lower interest rate environment as loans prepay, and during the peak home buying season of the second and third quarters of each year. When mortgage loans prepay, we reverse any remaining allowance related to these loans, which contributed to the benefit for credit losses.

TCCA Fees

Pursuant to the TCCA, in 2012, FHFA directed us to increase our single-family guaranty fees by 10 basis points and remit this increase to Treasury. This TCCA-related revenue is included in "Net interest income" and the expense is recognized as "TCCA fees" in our condensed consolidated financial statements. TCCA fees increased in the second quarter of 2020 compared with the second quarter of 2019 as our book of business subject to the TCCA continued to grow. Based on guidance we received from FHFA in May 2020, if we do not collect these fees due to deferred or forborne payments not being made to servicers, we will not be required to remit them to Treasury. We will resume accrual and remittance when payments resume. See "Business—Charter Act and Regulation—GSE Act and Other Legislation—Guaranty Fees and Pricing" in our 2019 Form 10-K for further discussion of the TCCA.

Credit Enhancement Expense

Credit enhancement expense consists of costs associated with our freestanding credit enhancements, which primarily include our CAS and CIRT programs, EPMI, and amortization expense for certain lender risk-sharing programs. We exclude from this expense costs related to our CAS transactions accounted for as debt instruments and credit risk transfer programs accounted for as derivative instruments. Credit enhancement expense has been presented as a separate line item for all periods presented as these expenses have become a more significant driver of our results of operations. In prior periods, credit enhancement expenses were recorded in "Other expenses, net."

Credit enhancement expense increased in the second quarter and first half of 2020 compared with the second quarter and first half of 2019 primarily due to higher outstanding volumes of loans covered by credit risk transfer transactions. We discuss the transfer of mortgage credit risk in “Single-Family Business—Single-Family Mortgage Credit Risk Management—Single-Family Credit Enhancement and Transfer of Mortgage Credit Risk” and “Multifamily Business—Multifamily Mortgage Credit Risk Management—Transfer of Multifamily Mortgage Credit Risk.”

Change in Expected Credit Enhancement Recoveries

Change in expected credit enhancement recoveries consists of the change in benefits recognized from our freestanding credit enhancements, including any realized amounts. Benefits, if any, from our CAS, CIRT and EPMI programs previously recorded in “Fee and other income” have been reclassified to “Change in expected credit enhancement recoveries” for all periods presented. Benefits from other lender risk-sharing programs, including our multifamily Delegated Underwriting and Servicing (“DUSSM”) program, were recorded as a reduction of credit-related expense in periods prior to 2020. However, with our adoption of the CECL standard on January 1, 2020, benefits from freestanding credit enhancements are no longer recorded as a reduction of credit-related expenses. These benefits from lender risk-sharing have been reclassified into “Change in expected credit enhancement recoveries” on a prospective basis beginning January 1, 2020.

Other Expenses, Net

Other expenses primarily consists of debt extinguishment gains and losses, housing trust fund expenses, loan subservicing costs, servicer fees paid in connection with certain loss mitigation activities and gains and losses from partnership investments. We expect our fees paid to servicers for loss mitigation work to increase into 2021 as single-family borrowers who received a COVID-19-related forbearance enter into various loss mitigation solutions once the forbearance period ends, such as repayment plans, payment deferrals or loan modifications. For additional information about our loans in forbearance, see “Single-Family Business—Single-Family Mortgage Credit Risk Management—Single-Family Loans in Forbearance.”

Consolidated Balance Sheet Analysis

This section discusses our condensed consolidated balance sheets and should be read together with our condensed consolidated financial statements and the accompanying notes.

Summary of Condensed Consolidated Balance Sheets

	As of		Variance
	June 30, 2020	December 31, 2019	
(Dollars in millions)			
Assets			
Cash and cash equivalents and federal funds sold and securities purchased under agreements to resell or similar arrangements	\$ 79,960	\$ 34,762	\$ 45,198
Restricted cash	65,714	40,223	25,491
Investments in securities	108,864	50,527	58,337
Mortgage loans:			
Of Fannie Mae	115,313	101,668	13,645
Of consolidated trusts	3,356,988	3,241,510	115,478
Allowance for loan losses	(12,966)	(9,016)	(3,950)
Mortgage loans, net of allowance for loan losses	3,459,335	3,334,162	125,173
Deferred tax assets, net	13,119	11,910	1,209
Other assets	33,684	31,735	1,949
Total assets	\$ 3,760,676	\$ 3,503,319	\$ 257,357
Liabilities and equity			
Debt:			
Of Fannie Mae	\$ 275,637	\$ 182,247	\$ 93,390
Of consolidated trusts	3,444,338	3,285,139	159,199
Other liabilities	24,224	21,325	2,899
Total liabilities	3,744,199	3,488,711	255,488
Fannie Mae stockholders' equity:			
Senior preferred stock	120,836	120,836	—
Other net deficit	(104,359)	(106,228)	1,869
Total equity	16,477	14,608	1,869
Total liabilities and equity	\$ 3,760,676	\$ 3,503,319	\$ 257,357

Cash and Cash Equivalents and Federal Funds Sold and Securities Purchased Under Agreements to Resell or Similar Arrangements and Investments in Securities

The increase in both (1) cash and cash equivalents and federal funds sold and securities purchased under agreements to resell or similar arrangements and (2) investments in securities from December 31, 2019 to June 30, 2020 was primarily driven by the investment of proceeds from new debt issuances to support refinancing activity and in anticipation of future potential liquidity needs, which we discuss in "Liquidity and Capital Management—Debt Funding—Debt Funding Activity," as well as proceeds from loan payoffs. These funds were invested in cash equivalents or U.S. Treasury securities at period end where possible.

Mortgage Loans, Net of Allowance

The mortgage loans reported in our condensed consolidated balance sheets are classified as either HFS or HFI and include loans owned by Fannie Mae and loans held in consolidated trusts.

Mortgage loans, net of allowance increased as of June 30, 2020 compared with December 31, 2019, primarily driven by:

- an increase in mortgage loans due to acquisitions, primarily from higher mortgage refinance activity, outpacing liquidations and sales;
- partially offset by an increase in our allowance for loan losses due to losses we expect to incur as a result of the COVID-19 pandemic and the impact of our adoption of the CECL standard on January 1, 2020.

For additional information on our mortgage loans, see “Note 3, Mortgage Loans,” and for additional information on changes in our allowance for loan losses, see “Note 4, Allowance for Loan Losses.”

Debt

The increase in debt of Fannie Mae from December 31, 2019 to June 30, 2020 was primarily driven by new short- and long-term debt issuances to support refinancing activity and in anticipation of future potential liquidity needs as a result of the COVID-19 pandemic. The increase in debt of consolidated trusts from December 31, 2019 to June 30, 2020 was primarily driven by sales of Fannie Mae MBS, which are accounted for as issuances of debt of consolidated trusts in our condensed consolidated balance sheets, since the MBS certificate ownership is transferred from us to a third party. See “Liquidity and Capital Management—Debt Funding” for a summary of activity in debt of Fannie Mae and a comparison of the mix between our outstanding short-term and long-term debt. Also see “Note 7, Short-Term and Long-Term Debt” for additional information on our total outstanding debt.

Stockholders’ Equity

Our net equity increased as of June 30, 2020 compared with December 31, 2019 by the amount of our comprehensive income recognized during the first half of 2020, partially offset by a charge of \$1.1 billion to retained earnings due to our implementation of the CECL standard on January 1, 2020. See “Note 1, Summary of Significant Accounting Policies—New Accounting Guidance—The Current Expected Credit Loss Standard” for further details.

The aggregate liquidation preference of the senior preferred stock was \$135.4 billion as of June 30, 2020, unchanged from March 31, 2020 as a result of the decrease in our net worth during the first quarter of 2020. The aggregate liquidation preference of the senior preferred stock will increase to \$138.0 billion as of September 30, 2020 due to the \$2.5 billion increase in our net worth during the second quarter of 2020.

Retained Mortgage Portfolio

Our retained mortgage portfolio consists of mortgage loans and mortgage-related securities that we own, including Fannie Mae MBS and non-Fannie Mae mortgage-related securities. Assets held by consolidated MBS trusts that back mortgage-related securities owned by third parties are not included in our retained mortgage portfolio.

We use our retained mortgage portfolio primarily to provide liquidity to the mortgage market and support our loss mitigation activities. Previously, we also used our retained mortgage portfolio for investment purposes.

The chart below separates the instruments within our retained mortgage portfolio, measured by unpaid principal balance, into three categories based on each instrument’s use:

- *Lender liquidity*, which includes balances related to our whole loan conduit activity, supports our efforts to provide liquidity to the single-family and multifamily mortgage markets.
- *Loss mitigation* supports our loss mitigation efforts through the purchase of delinquent loans from our MBS trusts.
- *Other* represents assets that were previously purchased for investment purposes. More than half of the balance of “Other” as of June 30, 2020 consisted of Fannie Mae reverse mortgage securities and reverse mortgage loans. We expect the amount of assets in “Other” will continue to decline over time as they liquidate, mature or are sold.

Retained Mortgage Portfolio (Dollars in billions)



The increase in our retained mortgage portfolio as of June 30, 2020 compared with December 31, 2019 was primarily due to an increase in our acquisitions of loans through our whole loan conduit in the first half of 2020 driven by higher mortgage

refinance activity. This increase was partially offset by a decrease in our legacy investment portfolio due to continued liquidations of loans and sales of private-label securities from this portfolio.

The table below displays the components of our retained mortgage portfolio, measured by unpaid principal balance.

Retained Mortgage Portfolio

	As of	
	June 30, 2020	December 31, 2019
	(Dollars in millions)	
Lender liquidity:		
Agency securities ⁽¹⁾	\$ 40,255	\$ 38,375
Mortgage loans	36,035	21,152
Total lender liquidity	76,290	59,527
Loss mitigation mortgage loans ⁽²⁾	60,454	60,731
Other:		
Reverse mortgage loans	15,777	17,129
Mortgage loans	5,728	6,546
Reverse mortgage securities ⁽³⁾	7,023	7,575
Private-label and other securities	933	1,250
Fannie Mae-wrapped private-label securities	544	581
Mortgage revenue bonds	239	272
Total other	30,244	33,353
Total retained mortgage portfolio	\$ 166,988	\$ 153,611

Retained mortgage portfolio by segment:

Single-family mortgage loans and mortgage-related securities	\$ 160,517	\$ 145,179
Multifamily mortgage loans and mortgage-related securities	\$ 6,471	\$ 8,432

⁽¹⁾ Consists of Fannie Mae, Freddie Mac, and Ginnie Mae mortgage-related securities, including Freddie Mac securities guaranteed by Fannie Mae. Excludes Fannie Mae and Ginnie Mae reverse mortgage securities and Fannie Mae-wrapped private-label securities.

⁽²⁾ Includes single-family loans classified as TDRs that were on accrual status of \$37.4 billion and \$38.2 billion as of June 30, 2020 and December 31, 2019, respectively, and single-family loans on nonaccrual status of \$19.7 billion and \$19.6 billion as of June 30, 2020 and December 31, 2019. Includes multifamily loans classified as TDRs that were on accrual status of \$24 million and \$51 million as of June 30, 2020 and December 31, 2019, respectively, and multifamily loans on nonaccrual status of \$158 million and \$132 million as of June 30, 2020 and December 31, 2019, respectively.

⁽³⁾ Consists of Fannie Mae and Ginnie Mae reverse mortgage securities.

The amount of mortgage assets that we may own is capped at \$250 billion by our senior preferred stock purchase agreement with Treasury, and FHFA has directed that we further cap our mortgage assets at \$225 billion. The Treasury plan includes a recommendation that Treasury and FHFA amend our senior preferred stock purchase agreement to further reduce the cap on our investments in mortgage-related assets, and also to restrict our retained mortgage portfolio to solely supporting the business of securitizing MBS. See “Business—Conservatorship, Treasury Agreements and Housing Finance Reform” in our 2019 Form 10-K for additional information on our portfolio cap and the Treasury plan.

Effective January 31, 2020, FHFA directed us to include 10% of the notional value of interest-only securities in calculating the size of the retained portfolio for the purpose of determining compliance with the senior preferred stock purchase agreement retained portfolio limits and associated FHFA guidance. As of June 30, 2020, 10% of the notional value of our interest-only securities was \$2.2 billion, which is not included in the table above.

We have the option or, in some instances, the obligation, to purchase mortgage loans that meet specific criteria from an MBS trust. In support of our loss mitigation strategies, we purchased \$5.6 billion of loans from our single-family MBS trusts in the first half of 2020, the substantial majority of which were delinquent. In deciding whether and when to exercise our option to purchase a loan from a single-family MBS trust, we consider a variety of factors, including, but not limited to, the cost of funds, general market conditions, and relevant market yields. The weight we give to these factors, among others, changes depending on market circumstances and other factors. See “MD&A—Retained Mortgage Portfolio—Purchases of Loans from Our MBS Trusts” in our 2019 Form 10-K for more information relating to our purchases of loans from MBS trusts.

As a result of the COVID-19 pandemic, we have made a number of changes to our single-family and multifamily loss mitigation strategies. This includes providing single-family borrowers experiencing COVID-19-related financial hardship with payment

forbearance for up to 12 months, as well as repayment plan, payment deferral and loan modification options once the forbearance period ends. Typically, we do not buy loans out of our MBS trusts while they are in forbearance or when they are granted certain other loss mitigation options, such as a repayment plan, payment deferral or certain types of loan modifications. We expect the amount of loans we buy out of trusts over the long term as a result of loan delinquencies or loss mitigation strategies will increase the size of our retained mortgage portfolio, perhaps substantially. The volume of loans we ultimately buy, the timing of those purchases, and the length of time those loans remain in our retained mortgage portfolio remain highly uncertain and depend on a number of factors, including the success of our loss mitigation activities. As described in “Liquidity and Capital Management—Debt Funding,” depending on the extent of our funding needs and the amount of mortgage loans we purchase from MBS trusts, we may be required to obtain FHFA’s and Treasury’s prior written consent to increase our current debt limit and mortgage asset limit. See “Single-Family Business—Single-Family Mortgage Credit Risk Management—Single-Family Problem Loan Management—Single-Family Loans in Forbearance” and “Multifamily Business—Multifamily Mortgage Credit Risk Management—Multifamily Problem Loan Management and Foreclosure Prevention” for information on our loans in forbearance.

Guaranty Book of Business

Our “guaranty book of business” consists of:

- Fannie Mae MBS outstanding, excluding the portions of any structured securities we issue that are backed by Freddie Mac securities;
- mortgage loans of Fannie Mae held in our retained mortgage portfolio; and
- other credit enhancements that we provide on mortgage assets.

“Total Fannie Mae guarantees” consists of:

- our guaranty book of business; and
- the portions of any structured securities we issue that are backed by Freddie Mac securities.

We and Freddie Mac began issuing single-family uniform mortgage-backed securities, or “UMBS®,” in June 2019. In this report, we use the term “Fannie Mae-issued UMBS” to refer to single-family Fannie Mae MBS that are directly backed by fixed-rate mortgage loans and generally eligible for trading in the to-be-announced (“TBA”) market. We use the term “Fannie Mae MBS” or “our MBS” to refer to any type of mortgage-backed security that we issue, including UMBS, Supers™, Real Estate Mortgage Investment Conduit securities (“REMICs”) and other types of single-family or multifamily mortgage-backed securities.

Some Fannie Mae MBS that we issue are backed in whole or in part by Freddie Mac securities. When we restructure Freddie Mac securities into Fannie Mae-issued structured securities, such as Supers and REMICs, our guaranty of principal and interest extends to the underlying Freddie Mac securities. However, Freddie Mac continues to guarantee the payment of principal and interest on the underlying Freddie Mac securities that we have restructured. We do not charge an incremental guaranty fee to include Freddie Mac securities in the structured securities that we issue. References to our single-family guaranty book of business in this report exclude Freddie Mac-acquired mortgage loans underlying Freddie Mac securities that we have restructured.

The table below displays the composition of our guaranty book of business based on unpaid principal balance. Our single-family guaranty book of business accounted for 90% of our guaranty book of business as of June 30, 2020 and December 31, 2019.

Composition of Fannie Mae Guaranty Book of Business⁽¹⁾

	As of					
	June 30, 2020			December 31, 2019		
	Single-Family	Multifamily	Total	Single-Family	Multifamily	Total
	(Dollars in millions)					
Conventional guaranty book of business ⁽²⁾	\$ 3,142,861	\$ 359,071	\$ 3,501,932	\$ 2,997,475	\$ 341,522	\$ 3,338,997
Government guaranty book of business ⁽³⁾	25,102	958	26,060	27,422	1,079	28,501
Guaranty book of business	3,167,963	360,029	3,527,992	3,024,897	342,601	3,367,498
Freddie Mac securities guaranteed by Fannie Mae ⁽⁴⁾	101,430	—	101,430	50,100	—	50,100
Total Fannie Mae guarantees	\$ 3,269,393	\$ 360,029	\$ 3,629,422	\$ 3,074,997	\$ 342,601	\$ 3,417,598

⁽¹⁾ Includes other single-family Fannie Mae guaranty arrangements of \$1.2 billion and \$1.3 billion as of June 30, 2020 and December 31, 2019, and other multifamily Fannie Mae guaranty arrangements of \$11.0 billion and \$11.3 billion as of June 30, 2020 and December 31, 2019, respectively. The unpaid principal balance of restructured Fannie Mae MBS is included only once in the reported amount.

- (2) Refers to mortgage loans and mortgage-related securities that are not guaranteed or insured, in whole or in part, by the U.S. government.
- (3) Refers to mortgage loans and mortgage-related securities guaranteed or insured, in whole or in part, by the U.S. government.
- (4) Consists of approximately (i) \$79.8 billion and \$37.8 billion in unpaid principal balance of Freddie Mac-issued UMBS backing Fannie Mae-issued Supers as of June 30, 2020 and December 31, 2019, respectively; and (ii) \$21.6 billion and \$12.3 billion in unpaid principal balance of Freddie Mac securities backing Fannie Mae-issued REMICs, a portion of which may be backed in whole or in part by Fannie Mae MBS, as of June 30, 2020 and December 31, 2019, respectively. Therefore, our total exposure to Freddie Mac securities included in Fannie Mae REMIC collateral is likely lower.

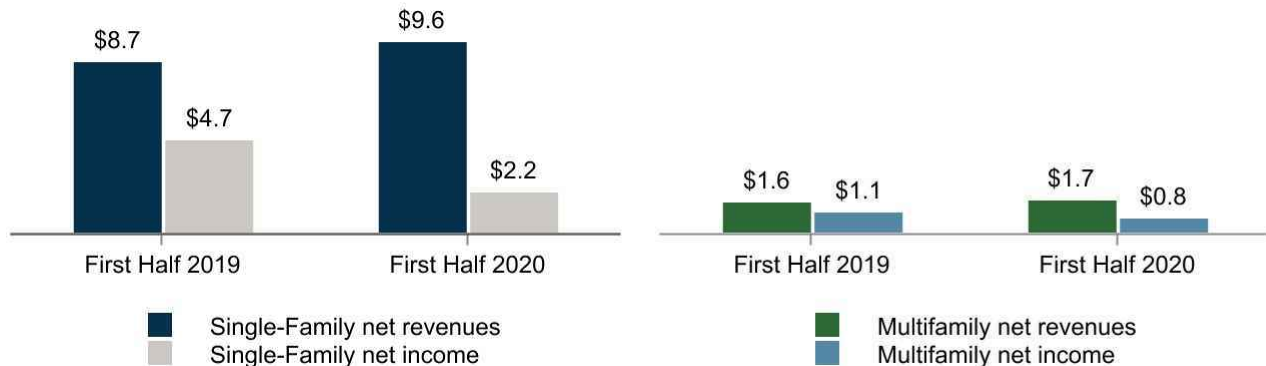
The Federal Housing Enterprises Financial Safety and Soundness Act of 1992, as amended, including by the Federal Housing Finance Regulatory Reform Act of 2008 (together, the “GSE Act”) requires us to set aside each year an amount equal to 4.2 basis points of the unpaid principal balance of our new business purchases and to pay this amount to specified U.S. Department of Housing and Urban Development (“HUD”) and Treasury funds in support of affordable housing. In February 2020, we paid \$280 million to the funds based on our new business purchases in 2019. For the first six months of 2020, we recognized an expense of \$242 million related to this obligation based on \$575.9 billion in new business purchases during the period. We expect to pay this amount to the funds in 2021, plus additional amounts to be accrued based on our new business purchases in the second half of 2020. See “Business—Charter Act and Regulation—GSE Act and Other Legislation—Affordable Housing Allocations” in our 2019 Form 10-K for more information regarding this obligation.

Business Segments

We have two reportable business segments: Single-Family and Multifamily. The Single-Family business operates in the secondary mortgage market relating to single-family mortgage loans, which are secured by properties containing four or fewer residential dwelling units. The Multifamily business operates in the secondary mortgage market relating primarily to multifamily mortgage loans, which are secured by properties containing five or more residential units.

The chart below displays the net revenues and net income for each of our business segments for the first half of 2019 compared with the first half of 2020. Net revenues consist of net interest income and fee and other income.

Business Segment Net Revenues and Net Income (Dollars in billions)



In the following sections, we describe each segment’s business metrics, financial results and credit performance.

Single-Family Business

Working with our lender customers, our Single-Family business provides liquidity to the mortgage market primarily by acquiring single-family loans from lenders and securitizing those loans into Fannie Mae MBS, which are either delivered to the lenders or sold to investors or dealers.

This section supplements and updates information regarding our Single-Family business segment in our 2019 Form 10-K. See “MD&A—Single-Family Business” in our 2019 Form 10-K for additional information regarding the primary business activities, customers and competition of our Single-Family business.

Single-Family Market Share

Single-Family Mortgage Acquisition Market Share

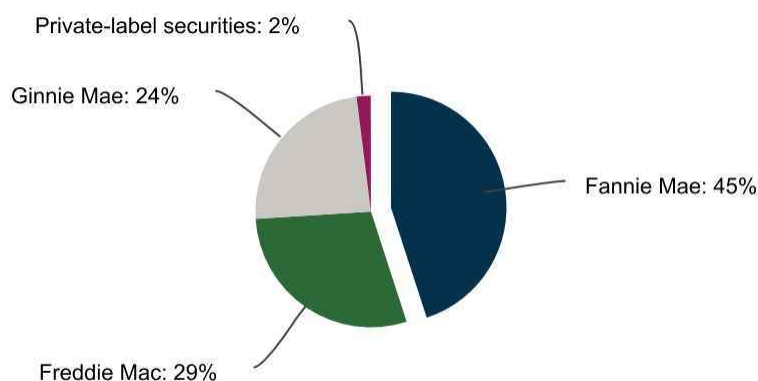
Our share of the single-family mortgage acquisition market, including loans held on lenders’ books, may fluctuate from period to period. We currently estimate our single-family acquisition market share in the last three years was within the range of 24%

to 30%, supporting approximately one in four single-family mortgage loans. Our market share estimate is based on publicly available data regarding the amount of single-family first-lien mortgage loans originated and our competitors' acquisitions.

Single-Family Mortgage-Related Securities Issuances Market Share

Our single-family Fannie Mae MBS issuances were \$342.8 billion for the second quarter of 2020, compared with \$120.1 billion for the second quarter of 2019. This increase was driven by a high volume of refinance activity in the first half of 2020 due to lower mortgage rates. Based on the latest data available, the chart below displays our estimated market share of single-family mortgage-related securities issuances in the second quarter of 2020 as compared with that of our primary competitors for the issuance of single-family mortgage-related securities.

Single-Family Mortgage-Related Securities Issuances Second Quarter 2020 Market Share



We estimate our market share of single-family mortgage-related securities issuances was 45% in the second quarter of 2020, compared with 38% in the first quarter of 2020 and 35% in the second quarter of 2019.

Single-Family Mortgage Market

Housing activity, especially sales of existing homes and construction of single-family housing, slowed significantly in the second quarter of 2020 due to the COVID-19 pandemic. While we expect a modest recovery in the third quarter of 2020, total home sales and housing starts are expected to decline significantly for the full year of 2020. However, we expect continued low mortgage rates will support refinance originations throughout 2020.

Housing activity decreased in the second quarter of 2020 compared with the first quarter of 2020. Total existing home sales averaged 4.3 million units annualized in the second quarter of 2020, compared with 5.5 million units in the first quarter of 2020, according to data from the National Association of REALTORS®. According to the U.S. Census Bureau, new single-family home sales decreased during the second quarter of 2020, averaging an annualized rate of 676,000 units, compared with 701,000 units in the first quarter of 2020.

The 30-year fixed mortgage rate averaged 3.23% in the second quarter of 2020, compared with 3.51% in the first quarter of 2020, according to Freddie Mac's Primary Mortgage Market Survey®.

We forecast that total originations in the U.S. single-family mortgage market in 2020 will increase from 2019 levels by approximately 36%, from an estimated \$2.31 trillion in 2019 to \$3.14 trillion in 2020, and that the amount of originations in the U.S. single-family mortgage market that are refinances will increase from an estimated \$1.01 trillion in 2019 to \$1.88 trillion in 2020.

Presentation of Our Single-Family Guaranty Book of Business

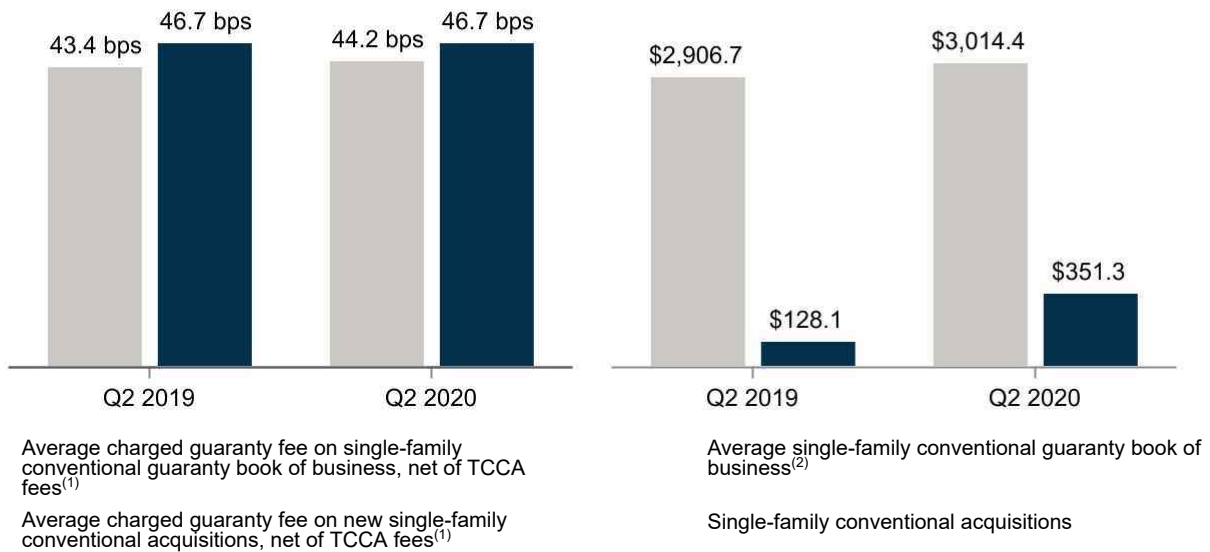
For purposes of the information reported in this "Single-Family Business" section, we measure the single-family guaranty book of business using the unpaid principal balance of our mortgage loans underlying Fannie Mae MBS outstanding. By contrast, the single-family guaranty book of business presented in the "Composition of Fannie Mae Guaranty Book of Business" table in the "Guaranty Book of Business" section is based on the unpaid principal balance of the Fannie Mae MBS outstanding, rather than the unpaid principal balance of the underlying mortgage loans. These amounts differ primarily as a result of payments we receive on underlying loans that have not yet been remitted to the MBS holders. As measured for purposes of the information reported below, our single-family conventional guaranty book of business was \$3,052.1 billion as of June 30, 2020 and \$2,951.9 billion as of December 31, 2019.

Single-Family Business Metrics

Net interest income for our Single-Family business is driven by the guaranty fees we charge and the size of our single-family conventional guaranty book of business. The guaranty fees we charge are based on the characteristics of the loans we acquire. We may adjust our guaranty fees in light of market conditions and to achieve return targets, which are based on FHFA's conservatorship capital framework that currently applies to Fannie Mae. As a result, the average charged guaranty fee on new acquisitions may fluctuate based on the credit quality and product mix of loans acquired, as well as market conditions and other factors.

The charts below display our average charged guaranty fees, net of TCCA fees, on our single-family conventional guaranty book of business and on new single-family conventional loan acquisitions, along with our average single-family conventional guaranty book of business and our single-family conventional loan acquisitions for the periods presented.

Single-Family Guaranty Fees, Acquisitions and Book of Business Metrics (Dollars in billions)



⁽¹⁾ Excludes the impact of a 10 basis point guaranty fee increase implemented pursuant to the TCCA, the incremental revenue from which is remitted to Treasury and not retained by us.

⁽²⁾ Our single-family conventional guaranty book of business primarily consists of single-family conventional mortgage loans underlying Fannie Mae MBS outstanding. It also includes single-family conventional mortgage loans of Fannie Mae held in our retained mortgage portfolio, and other credit enhancements that we provide on single-family conventional mortgage assets. Our single-family conventional guaranty book of business does not include: (a) non-Fannie Mae single-family mortgage-related securities held in our retained mortgage portfolio for which we do not provide a guaranty; (b) mortgage loans guaranteed or insured, in whole or in part, by the U.S. government; or (c) Freddie Mac-acquired mortgage loans underlying Freddie Mac-issued UMBS that we have res securitized. Our average single-family conventional guaranty book of business is based on quarter-end balances.

Average charged guaranty fee represents, on an annualized basis, the sum of the average base guaranty fees for our single-family conventional guaranty arrangements, which we receive over the life of the loan, during the period, plus the recognition of any upfront cash payments relating to these guaranty arrangements based on an estimated average life at the time of acquisition. Management uses average charged guaranty fee on new acquisitions as a metric to assess the reasonableness of our compensation for the credit risk we manage on newly acquired loans.

Single-Family Business Financial Results

	For the Three Months Ended June 30,			For the Six Months Ended June 30,		
	2020	2019	Variance	2020	2019	Variance
	(Dollars in millions)					
Net interest income ⁽¹⁾	\$ 4,939	\$ 4,419	\$ 520	\$ 9,480	\$ 8,458	\$ 1,022
Fee and other income	71	88	(17)	165	194	(29)
Net revenues	5,010	4,507	503	9,645	8,652	993
Investment gains (losses), net	96	417	(321)	(56)	511	(567)
Fair value losses, net	(1,030)	(758)	(272)	(1,490)	(1,645)	155
Administrative expenses	(625)	(634)	9	(1,254)	(1,265)	11
Credit-related income (expense) ⁽²⁾	216	1,126	(910)	(2,034)	1,644	(3,678)
TCCA fees ⁽¹⁾	(660)	(600)	(60)	(1,297)	(1,193)	(104)
Credit enhancement expense	(307)	(229)	(78)	(623)	(399)	(224)
Change in expected credit enhancement recoveries ⁽³⁾	208	—	208	266	—	266
Other expenses, net ⁽⁴⁾	(252)	(189)	(63)	(415)	(356)	(59)
Income before federal income taxes	2,656	3,640	(984)	2,742	5,949	(3,207)
Provision for federal income taxes	(556)	(769)	213	(574)	(1,253)	679
Net income	\$ 2,100	\$ 2,871	\$ (771)	\$ 2,168	\$ 4,696	\$ (2,528)

⁽¹⁾ Reflects the impact of a 10 basis point guaranty fee increase implemented pursuant to the TCCA, the incremental revenue from which is remitted to Treasury. The resulting revenue is included in net interest income and the expense is recognized as "TCCA fees."

⁽²⁾ Consists of the benefit or provision for credit losses and foreclosed property income or expense. The presentation of our credit-related income for the three and six months ended June 30, 2019 represents amounts recognized prior to our transition to the lifetime loss model prescribed by the CECL standard.

⁽³⁾ Consists of change in benefits recognized from our single-family freestanding credit enhancements, which primarily relate to our CAS and CIRT programs. See "Note 1, Summary of Significant Accounting Policies" for more information about our change in presentation.

⁽⁴⁾ Consists primarily of debt extinguishment gains and losses, housing trust fund expenses, servicer fees paid in connection with certain loss mitigation activities, and loan subservicing costs.

Net Interest Income

Single-family net interest income increased in the second quarter and first half of 2020 compared with the second quarter and first half of 2019, primarily due to higher net amortization income and higher base guaranty fee income, partially offset by a decline in income from portfolios. The drivers of net interest income for the Single-Family segment are consistent with the drivers of net interest income in our condensed consolidated statements of operations and comprehensive income, which we discuss in "Consolidated Results of Operations—Net Interest Income."

Investment Gains (Losses), Net

Investment gains decreased in the second quarter of 2020 compared with the second quarter of 2019 as a result of a decline in sales of single-family HFS loans. We recognized investment losses in the first half of 2020, compared with investment gains in the first half of 2019, as a result of a decrease in sales of single-family loans and a decline in the fair value of HFS loans driven by price decreases during the first half of 2020. The drivers of investment gains (losses), net for the Single-Family segment are consistent with the drivers of investment gains (losses), net in our condensed consolidated statements of operations and comprehensive income, which we discuss in "Consolidated Results of Operations—Investment Gains (Losses), Net."

Fair Value Losses, Net

Fair value losses, net in the second quarter and first half of 2020 were primarily driven by decreases in the fair values of our mortgage commitment derivatives, partially offset by fair value gains on trading securities. Fair value losses, net in the second quarter and first half of 2019 were primarily driven by decreases in the fair value of our mortgage commitments and our pay-fixed risk management derivatives, and net interest expense accruals on our risk management derivatives. The drivers of fair value losses, net for the Single-Family segment are consistent with the drivers of fair value losses, net in our condensed consolidated statements of operations and comprehensive income, which we discuss in "Consolidated Results of Operations—Fair Value Losses, Net."

As we discuss in “Consolidated Results of Operations—Fair Value Losses, Net,” we expect that implementing a hedge accounting program will reduce the volatility of our financial results associated with changes in interest rates, while fair value gains and losses driven by other factors such as credit spreads will remain.

Credit-Related Income (Expense)

Credit-related income for the second quarter of 2020 was primarily driven by an increase in actual home prices. In the first quarter, our expectations for home price growth for 2020 were near-zero. However, in the second quarter of 2020, we revised our home price forecast for the year to reflect an increase in home price appreciation on a national basis for 2020 based on continued strong home sales. This change contributed to credit-related income for the period.

Credit-related expense for the first half of 2020 was primarily driven by an increase in our allowance for loan losses due to losses we expect to incur as a result of the COVID-19 pandemic. This was partially offset by lower actual and projected mortgage interest rates.

Credit-related income for the second quarter and first half of 2019 was primarily driven by the redesignation of certain single-family loans from HFI to HFS; an increase in actual and forecasted home prices; lower actual and projected mortgage interest rates; and changes in loan activity related to loan liquidations.

See “Consolidated Results of Operations—Credit-Related Income (Expense)” in this report for more information on the primary factors that contributed to our single-family credit-related income (expense).

Single-Family Mortgage Credit Risk Management

This section updates our discussion of single-family mortgage credit risk management in our 2019 Form 10-K. For additional information on our acquisition and servicing policies, underwriting and servicing standards, quality control process, repurchase requests, and representation and warranty framework, see “MD&A—Single-Family Business—Single-Family Mortgage Credit Risk Management” in our 2019 Form 10-K.

Single-Family Acquisition and Servicing Policies and Underwriting and Servicing Standards

COVID-19 Selling Policies

We are working closely with Freddie Mac, under the guidance and at the direction of FHFA, to offer temporary measures during the COVID-19 national emergency that provide lenders with the clarity and flexibility to continue lending in a prudent and responsible manner. We will continue monitoring the market to determine whether further adjustments to our temporary policies are appropriate.

Temporary policy flexibilities and updates to our Selling Guide requirements are designed to mitigate the operational impact of COVID-19 on loan underwriting and originations. These flexibilities include:

- purchasing certain loans that are subject to a COVID-19-related forbearance at the time of sale, subject to payment of a loan-level price adjustment;
- offering additional methods of obtaining verbal verifications of borrower employment;
- allowing alternative property valuation methods;
- expanding guidelines for the use of a power of attorney; and
- permitting remote online notarizations.

Temporary policy updates to provide clarity and mitigate risk include:

- assessment of more recent documentation of borrower employment (including self-employment), income, and assets;
- requiring evidence of receipt of funds from stocks, stock options and mutual funds when used for down payment or closing costs, and reducing the value to 70% when considered for reserves;
- requiring additional due diligence regarding the payment status of a borrower’s existing mortgage loans;
- providing clarity for assessing self-employment income for qualifying purposes; and
- requiring that loans be no more than six months old to be eligible for sale to us.

COVID-19 Servicing Policies

We also continue to work with Freddie Mac under the direction of FHFA to implement temporary policies to enable our single-family loan servicers to better assist borrowers impacted by COVID-19. We issued initial requirements to servicers on temporary policies to assist borrowers impacted by COVID-19 in March 2020, and have subsequently amended the requirements. We will continue monitoring the market to determine whether further adjustments to our temporary policies are appropriate.

These temporary policies include requiring that our single-family loan servicers:

- provide forbearance upon the request of any single-family borrower experiencing a financial hardship due to the COVID-19 pandemic, regardless of the borrower's delinquency status and with no additional documentation required other than the borrower's attestation to a financial hardship caused by COVID-19. The borrower must be provided an initial forbearance plan for a period up to 180 days, and that forbearance period may be extended for up to an additional 180 days at the request of the borrower. If the borrower's COVID-19-related hardship has not been resolved during an incremental forbearance period, the servicer must extend the borrower's forbearance period at the borrower's request, not to exceed 12 months total;
- suspend foreclosures and foreclosure-related activities for single-family properties through at least August 31, 2020, other than for vacant or abandoned properties; and
- report as current the obligation of a borrower who receives a forbearance plan or other form of relief as a result of the COVID-19 pandemic during the covered period and who was current before the accommodation and makes payments as agreed under the accommodation in accordance with the Fair Credit Reporting Act, as amended by the CARES Act.

A servicer is required to contact a borrower on a forbearance plan no later than 30 days before the end of the forbearance period to evaluate them for a workout option after the forbearance period. Those options include:

- a reinstatement (where the borrower repays all of the missed payments at one time);
- a repayment plan (where the borrower repays the missed payments over time);
- a deferral of some missed payments to the end of the loan term; or
- a modification of the loan term so that the borrower may be brought current and either continues to make their original monthly contractual payment or makes reduced monthly contractual payments over a longer period of time.

In addition, some states and local governments are considering proposals that would assist borrowers and renters impacted by COVID-19 that are more extensive than the CARES Act or our Servicing Guide requirements.

Desktop Underwriter Update

As part of our comprehensive risk management approach, we periodically update our proprietary automated underwriting system, Desktop Underwriter[®] ("DU[®]"), to reflect changes to our underwriting and eligibility guidelines. As part of normal business operations, we regularly review DU to determine whether its risk analysis and eligibility assessment are appropriate based on the current market environment and loan performance information. As a result of our most recent review, in April 2020 we enhanced the DU eligibility assessment to help Fannie Mae and our customers better manage credit risk in the current market while providing sustainable options to borrowers. We expect this change will result in a modest reduction of loans with high-risk factors being eligible for acquisition through DU.

We will continue to closely monitor loan acquisitions and market conditions and, as appropriate, seek to make changes in our eligibility criteria so that the loans we acquire are consistent with our risk appetite.

For further information regarding Desktop Underwriter, please see "MD&A—Single-Family Business—Single-Family Mortgage Credit Risk Management—Single-Family Acquisition and Servicing Policies and Underwriting and Servicing Standards" in our 2019 Form 10-K.

	Percent of Single-Family Conventional Business Volume at Acquisition ⁽²⁾				Percent of Single-Family Conventional Guaranty Book of Business ⁽³⁾ As of	
	For the Three Months Ended June 30,		For the Six Months Ended June 30,		June 30, 2020	December 31, 2019
	2020	2019	2020	2019		
Occupancy type:						
Primary residence	93 %	91 %	93 %	90 %	89 %	89 %
Second/vacation home	3	4	3	4	4	4
Investor	4	5	4	6	7	7
Total	100 %	100 %	100 %	100 %	100 %	100 %
FICO credit score at origination:						
< 620	* %	* %	* %	* %	1 %	1 %
620 to < 660	2	4	2	5	5	5
660 to < 680	2	4	2	5	4	5
680 to < 700	5	8	6	8	7	7
700 to < 740	19	24	20	24	21	21
>= 740	72	60	70	58	62	61
Total	100 %	100 %	100 %	100 %	100 %	100 %
Weighted average	759	746	757	744	748	746
Debt-to-income ("DTI") ratio at origination:⁽⁷⁾						
<= 43%	80 %	70 %	78 %	68 %	76 %	76 %
43.01% to 45%	8	10	8	10	9	9
Greater than 45%	12	20	14	22	15	15
Total	100 %	100 %	100 %	100 %	100 %	100 %
Weighted average	34 %	37 %	34 %	37 %	35 %	35 %
Loan purpose:						
Purchase	26 %	62 %	30 %	64 %	41 %	45 %
Cash-out refinance	20	19	21	20	20	19
Other refinance	54	19	49	16	39	36
Total	100 %	100 %	100 %	100 %	100 %	100 %
Geographic concentration:⁽⁸⁾						
Midwest	15 %	13 %	14 %	14 %	15 %	15 %
Northeast	12	13	12	13	17	17
Southeast	21	23	21	23	22	22
Southwest	21	22	21	22	18	18
West	31	29	32	28	28	28
Total	100 %	100 %	100 %	100 %	100 %	100 %
Origination year:						
2014 and prior					32 %	38 %
2015					7	8
2016					12	14
2017					10	12
2018					8	11
2019					16	17
2020					15	—
Total					100 %	100 %

* Represents less than 0.5% of single-family conventional business volume or guaranty book of business.

- (1) Second-lien mortgage loans held by third parties are not reflected in the original LTV or the estimated mark-to-market LTV ratios in this table.
- (2) Calculated based on the unpaid principal balance of single-family loans for each category at time of acquisition.
- (3) Calculated based on the aggregate unpaid principal balance of single-family loans for each category divided by the aggregate unpaid principal balance of loans in our single-family conventional guaranty book of business as of the end of each period.
- (4) The original LTV ratio generally is based on the original unpaid principal balance of the loan divided by the appraised property value reported to us at the time of acquisition of the loan. Excludes loans for which this information is not readily available.
- (5) The aggregate estimated mark-to-market LTV ratio is based on the unpaid principal balance of the loan as of the end of each reported period divided by the estimated current value of the property, which we calculate using an internal valuation model that estimates periodic changes in home value. Excludes loans for which this information is not readily available.
- (6) Long-term fixed-rate consists of mortgage loans with maturities greater than 15 years, while intermediate-term fixed-rate loans have maturities equal to or less than 15 years.
- (7) Excludes loans for which this information is not readily available.
- (8) Midwest consists of IL, IN, IA, MI, MN, NE, ND, OH, SD and WI. Northeast consists of CT, DE, ME, MA, NH, NJ, NY, PA, PR, RI, VT and VI. Southeast consists of AL, DC, FL, GA, KY, MD, MS, NC, SC, TN, VA and WV. Southwest consists of AZ, AR, CO, KS, LA, MO, NM, OK, TX and UT. West consists of AK, CA, GU, HI, ID, MT, NV, OR, WA and WY.

Characteristics of our New Single-Family Loan Acquisitions

The share of our single-family loan acquisitions consisting of refinance loans rather than home purchase loans increased in the second quarter of 2020 compared with the second quarter of 2019, primarily due to a lower interest-rate environment, which encouraged refinance activity. Typically, refinance loans have lower LTV ratios than home purchase loans. This trend contributed to a decrease in the percentage of our single-family loan acquisitions with LTV ratios over 90%, from 23% in the second quarter of 2019 to 13% in the second quarter of 2020. The historically low interest rate environment, combined with the high level of refinancing activity, also led to an increase in the percentage of loans we acquired with a FICO credit score over 740, from 60% in the second quarter of 2019 to 72% in the second quarter of 2020. Borrowers who refinance when interest rates initially drop tend to have a higher degree of financial literacy and, as a result, higher FICO credit scores

Our share of acquisitions of loans with DTI ratios above 45% decreased in the second quarter of 2020 compared with the second quarter of 2019. This decrease was driven in part by changes in our eligibility guidelines implemented in 2019 to further limit risk layering, particularly with respect to loans with DTI ratios above 45%, as well as a higher volume of refinance loan acquisitions.

For a discussion of factors that may impact the credit characteristics of loans we acquire in the future, see “MD&A—Single-Family Business—Single-Family Mortgage Credit Risk Management—Single-Family Portfolio Diversification and Monitoring” in our 2019 Form 10-K. In this section of our 2019 Form 10-K, we also provide more information on the credit characteristics of loans in our single-family conventional guaranty book of business, including Home Affordable Refinance Program® (“HARP®”) and Refi Plus™ loans, jumbo-conforming and high-balance loans, reverse mortgages and mortgage products with rate resets.

Single-Family Credit Enhancement and Transfer of Mortgage Credit Risk

Single-Family Credit Enhancement

Our charter generally requires credit enhancement on any single-family conventional mortgage loan that we purchase or securitize if it has an LTV ratio over 80% at the time of purchase. We generally achieve this through primary mortgage insurance. We also enter into various other types of transactions in which we transfer mortgage credit risk to third parties.

The table below displays information about loans in our single-family conventional guaranty book of business covered by one or more forms of credit enhancement, including mortgage insurance or a credit risk transfer transaction. For a description of primary mortgage insurance and the other types of credit enhancements specified in the table, see “MD&A—Single-Family Business—Single-Family Mortgage Credit Risk Management—Single-Family Credit Enhancement and Transfer of Mortgage Credit Risk” in our 2019 Form 10-K. For a discussion of our exposure to and management of the institutional counterparty credit risk associated with the providers of these credit enhancements, see “MD&A—Risk Management—Institutional Counterparty Credit Risk Management” and “Note 13, Concentrations of Credit Risk” in our 2019 Form 10-K and “Note 10, Concentrations of Credit Risk” in this report. Also see “Risk Factors” in our 2019 Form 10-K and in this report.

Single-Family Loans with Credit Enhancement

	As of			
	June 30, 2020		December 31, 2019	
	Unpaid Principal Balance	Percentage of Single-Family Conventional Guaranty Book of Business	Unpaid Principal Balance	Percentage of Single-Family Conventional Guaranty Book of Business
	(Dollars in billions)			
Primary mortgage insurance and other	\$ 662	22 %	\$ 653	22 %
Connecticut Avenue Securities	813	27	919	31
Credit Insurance Risk Transfer	279	9	275	10
Lender risk-sharing	132	4	147	5
Less: Loans covered by multiple credit enhancements	(394)	(13)	(438)	(15)
Total single-family loans with credit enhancement	\$ 1,492	49 %	\$ 1,556	53 %

Transfer of Mortgage Credit Risk

In addition to primary mortgage insurance, our Single-Family business has developed other risk-sharing capabilities to transfer portions of our single-family mortgage credit risk to the private market. Our credit risk transfer transactions are designed to transfer a portion of the losses we expect would be incurred in an economic downturn or a stressed credit environment. As described in “MD&A—Single-Family Business—Single-Family Mortgage Credit Risk Management—Single-Family Credit Enhancement and Transfer of Mortgage Credit Risk—Credit Risk Transfer Transactions” in our 2019 Form 10-K, we have three primary single-family credit risk transfer programs: Connecticut Avenue Securities, Credit Insurance Risk Transfer, and lender risk-sharing. In March 2020, FHFA directed us to wind down our single-family lender risk-sharing transactions by the end of this year. We continually evaluate our credit risk transfer transactions which, in addition to managing our credit risk, also affect our returns on capital under FHFA’s conservatorship capital requirements.

During the first half of 2020, pursuant to our credit risk transfer transactions, we transferred a portion of the mortgage credit risk on single-family mortgages with an unpaid principal balance of \$127 billion at the time of the transactions. As of June 30, 2020, approximately 40% of the loans in our single-family conventional guaranty book of business, measured by unpaid principal balance, were included in a reference pool for a credit risk transfer transaction.


We did not enter into credit risk transfer transactions in the second quarter of 2020 due to continuing adverse market conditions resulting from the COVID-19 pandemic. This contributed to the percentage of loans in our single-family conventional guaranty book of business with credit enhancement declining from 53% as of December 31, 2019 to 49% as of June 30, 2020. Although market conditions have improved, we currently do not have plans to engage in additional credit risk transfer transactions as we evaluate FHFA’s re-proposed capital rule, which would reduce the amount of capital relief we obtain from these transactions. We will continue to review our plans, which may be affected by our evaluation of the proposed capital rule and changes in the rule as it is finalized, our progress in meeting FHFA’s 2020 conservatorship scorecard, the strength of future market conditions, and our review of our overall business and capital plan to enable us to exit conservatorship. See “Risk Factors” in this report for additional information on the risks associated with the constraints on our entering into new credit risk transfer transactions and “Legislation and Regulation” for more information on FHFA’s proposed capital rule.

The table below displays the mortgage credit risk transferred to third parties and retained by Fannie Mae pursuant to our single-family credit risk transfer transactions.

Single-Family Credit Risk Transfer Transactions

Issuances from Inception to June 30, 2020


(Dollars in billions)



Senior	Fannie Mae ⁽¹⁾ \$2,091				Initial Reference Pool ⁽⁵⁾ \$2,168
Mezzanine	Fannie Mae ⁽¹⁾ \$2	CIRT ⁽²⁾⁽³⁾ \$12	CAS ⁽²⁾ \$41	Lender Risk-Sharing ⁽²⁾⁽⁴⁾ \$4	
First Loss	Fannie Mae ⁽¹⁾ \$9		CAS ⁽²⁾⁽⁶⁾ \$6	Lender Risk-Sharing ⁽²⁾⁽⁴⁾ \$3	

Outstanding as of June 30, 2020

(Dollars in billions)



Senior	Fannie Mae ⁽¹⁾ \$1,243				Outstanding Reference Pool ⁽⁵⁾⁽⁷⁾ \$1,296
Mezzanine	Fannie Mae ⁽¹⁾ \$1	CIRT ⁽²⁾⁽³⁾ \$9	CAS ⁽²⁾ \$22	Lender Risk-Sharing ⁽²⁾⁽⁴⁾ \$4	
First Loss	Fannie Mae ⁽¹⁾ \$9		CAS ⁽²⁾⁽⁶⁾ \$6	Lender Risk-Sharing ⁽²⁾⁽⁴⁾ \$2	

(1) Credit risk retained by Fannie Mae in CAS, CIRT and lender risk-sharing transactions. Tranche sizes vary across programs.

(2) Credit risk transferred to third parties. Tranche sizes vary across programs.

(3) Includes mortgage pool insurance transactions covering loans with an unpaid principal balance of approximately \$7 billion at issuance and approximately \$3 billion outstanding as of June 30, 2020.

(4) For some lender risk-sharing transactions, does not reflect completed transfers of risk prior to settlement.

(5) For CIRT and some lender risk-sharing transactions, "Reference Pool" reflects a pool of covered loans.

(6) For CAS transactions, "First Loss" represents all B tranche balances.

(7) For CAS and some lender risk-sharing transactions, represents outstanding reference pools, not the outstanding unpaid principal balance of the underlying loans. The outstanding unpaid principal balance for all loans covered by credit risk transfer programs, including all loans on which risk has been transferred in lender risk-sharing transactions, was \$1,224 billion as of June 30, 2020.

The following table displays the approximate cash paid or transferred to investors for these credit risk transfer transactions. The cash represents the portion of the guaranty fee paid to investors as compensation for taking on a share of the credit risk.

Credit Risk Transfer Transactions

	For the Six Months Ended June 30,	
	2020	2019
Cash paid or transferred for:	(Dollars in millions)	
CAS transactions ⁽¹⁾	\$ 528	\$ 474
CIRT transactions	207	174
Lender risk-sharing transactions	160	134

⁽¹⁾ Consists of cash paid for interest expense net of LIBOR on outstanding CAS debt and amounts paid for both CAS REMIC[®] and CAS credit-linked notes ("CLN") transactions. CAS REMICs are Connecticut Avenue Securities that are structured as notes issued by trusts that qualify as REMICs. CAS CLNs are similar to CAS REMICs with the exception that loans underlying the transactions were not tagged for use in a REMIC transaction at the time of acquisition.

The following table displays the primary characteristics of the loans in our single-family conventional guaranty book of business currently without credit enhancement.

Single-Family Loans without Credit Enhancement

	As of			
	June 30, 2020		December 31, 2019	
	Unpaid Principal Balance	Percentage of Single-Family Conventional Guaranty Book of Business	Unpaid Principal Balance	Percentage of Single-Family Conventional Guaranty Book of Business
	(Dollars in billions)			
Low LTV ratio or short-term ⁽¹⁾	\$ 803	26 %	\$ 736	25 %
Pre-credit risk transfer program inception ⁽²⁾	549	18	608	20
Recently acquired ⁽³⁾	545	18	287	10
Other ⁽⁴⁾	279	9	246	8
Less: Loans in multiple categories	(616)	(20)	(481)	(16)
Total single-family loans currently without credit enhancement	\$ 1,560	51 %	\$ 1,396	47 %

⁽¹⁾ Represents loans with an LTV ratio less than or equal to 60% or loans with an original maturity of 20 years or less.

⁽²⁾ Represents loans that were acquired before the inception of our credit risk transfer programs. Also includes Refi Plus loans.

⁽³⁾ Represents loans that were recently acquired and have not been included in a reference pool.

⁽⁴⁾ Includes adjustable-rate mortgage loans, loans with a combined LTV ratio greater than 97%, non-Refi Plus loans acquired after the inception of our credit risk transfer programs that became 30 or more days delinquent prior to inclusion in a credit risk transfer transaction, and loans that were delinquent as of June 30, 2020 or December 31, 2019.

Single-Family Problem Loan Management

Our problem loan management strategies focus primarily on reducing defaults to avoid losses that would otherwise occur and pursuing foreclosure alternatives to mitigate the severity of the losses we incur. See “MD&A—Single-Family Business—Single-Family Mortgage Credit Risk Management—Problem Loan Management” in our 2019 Form 10-K for a discussion of delinquency statistics on our problem loans, efforts undertaken to manage our problem loans, metrics regarding our loan workout activities, real estate owned (“REO”) management and other single-family credit-related information. The discussion below updates some of that information.

Delinquency

The table below displays the delinquency status of loans and changes in the balance of seriously delinquent loans in our single-family conventional guaranty book of business, based on the number of loans. Single-family seriously delinquent loans are loans that are 90 days or more past due or in the foreclosure process.

As described above in “Single-Family Acquisition and Servicing Policies and Underwriting and Servicing Standards—COVID-19 Servicing Policies,” pursuant to the CARES Act, for purposes of reporting to the credit bureaus, servicers must report a borrower receiving a COVID-19-related payment accommodation, such as a forbearance plan or loan modification, as current if the borrower was current prior to receiving the accommodation and the borrower makes all required payments in accordance with the accommodation. For purposes of our disclosures regarding delinquency status, we will continue to report loans receiving COVID-19-related payment forbearance as delinquent according to the contractual terms of the loan.

Delinquency Status and Activity of Single-Family Conventional Loans

	As of		
	June 30, 2020	December 31, 2019	June 30, 2019
Delinquency status:			
30 to 59 days delinquent	1.47 %	1.27 %	1.47 %
60 to 89 days delinquent	1.60	0.35	0.35
Seriously delinquent (“SDQ”)	2.65	0.66	0.70
Percentage of SDQ loans that have been delinquent for more than 180 days	14 %	49 %	52 %
Percentage of SDQ loans that have been delinquent for more than two years	3	11	12
		For the Six Months Ended June 30,	
		2020	2019
Single-family SDQ loans (number of loans):			
Beginning balance		112,434	130,440
Additions		427,657	101,121
Removals:			
Modifications and other loan workouts		(18,680)	(24,653)
Liquidations and sales		(15,449)	(24,395)
Cured or less than 90 days delinquent		(52,172)	(63,394)
Total removals		(86,301)	(112,442)
Ending balance		453,790	119,119

Our single-family delinquency rates increased as of June 30, 2020 compared with December 31, 2019 and June 30, 2019, due to economic dislocation caused by the COVID-19 pandemic, which increased borrower participation in forbearance plans. Of our single-family SDQ loan additions in the first half of 2020, 357,541 were loans in a forbearance plan. Our single-family seriously delinquent rate excluding loans in forbearance was 0.59% as of June 30, 2020. We expect the COVID-19 pandemic to result in continued higher delinquency rates over the next several quarters.

Certain higher-risk loan categories, such as Alt-A loans, loans with mark-to-market LTV ratios greater than 100%, and our 2005 through 2008 loan vintages, continue to exhibit higher-than-average delinquency rates and/or account for a higher share of our credit losses. Single-family loans originated in 2005 through 2008 constituted 3% of our single-family book of business as of June 30, 2020, but constituted 15% of our seriously delinquent single-family loans as of June 30, 2020 and drove 32% of our single-family credit losses in the first half of 2020. In addition, loans in certain judicial foreclosure states such as Florida, New Jersey and New York with historically long foreclosure timelines have exhibited higher-than-average delinquency rates and/or account for a higher share of our credit losses.

The table below displays the serious delinquency rates for, and the percentage of our total seriously delinquent single-family conventional loans represented by, the specified loan categories. Percentage of book amounts present the unpaid principal balance of loans for each category divided by the unpaid principal balance of our total single-family conventional guaranty book of business. We also include information for our loans in California because the state accounts for a large share of our single-family conventional guaranty book of business. The reported categories are not mutually exclusive.

Single-Family Conventional Seriously Delinquent Loan Concentration Analysis

	As of								
	June 30, 2020			December 31, 2019			June 30, 2019		
	Percentage of Book Outstanding	Percentage of Seriously Delinquent Loans ⁽¹⁾	Serious Delinquency Rate	Percentage of Book Outstanding	Percentage of Seriously Delinquent Loans ⁽¹⁾	Serious Delinquency Rate	Percentage of Book Outstanding	Percentage of Seriously Delinquent Loans ⁽¹⁾	Serious Delinquency Rate
States:									
California	19 %	13 %	2.54 %	19 %	6 %	0.32 %	19 %	6 %	0.33 %
Florida	6	10	3.98	6	8	0.84	6	9	0.94
Illinois	4	4	2.71	4	6	0.91	3	5	0.94
New Jersey	3	5	4.81	3	5	1.13	4	6	1.28
New York	5	8	4.96	5	8	1.18	5	8	1.32
All other states	63	60	2.30	63	67	0.64	63	66	0.67
Product type:									
Alt-A ⁽²⁾	1	6	8.07	2	9	2.95	2	11	3.25
Vintages:									
2004 and prior	2	10	5.00	2	20	2.48	3	22	2.61
2005-2008	3	15	8.37	4	33	4.11	4	38	4.45
2009-2020	95	75	2.21	94	47	0.35	93	40	0.32
Estimated mark-to-market LTV ratio:									
<= 60%	53	52	2.16	54	52	0.53	55	51	0.55
60.01% to 70%	17	18	3.36	17	17	0.80	18	17	0.81
70.01% to 80%	17	15	3.18	16	14	0.75	15	14	0.83
80.01% to 90%	9	10	4.21	8	9	1.00	8	9	1.10
90.01% to 100%	4	4	3.43	5	4	0.86	4	4	1.15
Greater than 100%	*	1	18.12	*	4	10.14	*	5	10.63
Credit enhanced:⁽³⁾									
Primary MI & other ⁽⁴⁾	22	26	3.85	22	26	0.96	22	26	1.01
Credit risk transfer ⁽⁵⁾	40	37	2.78	45	16	0.27	42	11	0.24
Non-credit enhanced	51	51	2.37	47	66	0.79	51	68	0.79

* Represents less than 0.5% of single-family conventional guaranty book of business.

⁽¹⁾ Calculated based on the number of single-family loans that were seriously delinquent for each category divided by the total number of single-family conventional loans that were seriously delinquent.

⁽²⁾ For a description of our Alt-A loan classification criteria, see "MD&A—Glossary of Terms Used in This Report" in our 2019 Form 10-K.

⁽³⁾ The credit-enhanced categories are not mutually exclusive. A loan with primary mortgage insurance that is also covered by a credit risk transfer transaction will be included in both the "Primary MI & other" category and the "Credit risk transfer" category. As a result, the "Credit enhanced" and "Non-credit enhanced" categories do not sum to 100%. The total percentage of our single-family conventional guaranty book of business with some form of credit enhancement as of June 30, 2020 was 49%.

⁽⁴⁾ Refers to loans included in an agreement used to reduce credit risk by requiring primary mortgage insurance, collateral, letters of credit, corporate guarantees, or other agreements to provide an entity with some assurance that it will be compensated to some degree in the event of a financial loss. Excludes loans covered by credit risk transfer transactions unless such loans are also covered by primary mortgage insurance.

⁽⁵⁾ Refers to loans included in reference pools for credit risk transfer transactions, including loans in these transactions that are also covered by primary mortgage insurance. For CAS and some lender risk-sharing transactions, this represents outstanding unpaid principal balance of the underlying loans on the single-family mortgage credit book, not the outstanding reference pool, as of the specified date. Loans included in our credit risk transfer transactions have all been acquired since 2009.

Single-Family Loans in Forbearance

The following table displays information about our single-family loans in forbearance. As a part of our credit loss mitigation strategy and pursuant to the CARES Act, we are providing payment forbearance for up to 12 months to borrowers experiencing a COVID-19-related financial hardship. Of our single-family loans in forbearance as of June 30, 2020, 93% were in a payment forbearance as a result of the borrower experiencing a COVID-19-related financial hardship. Some borrowers whose loans are in forbearance continued making payments according to the original contractual terms of the loan notwithstanding the forbearance arrangement; we expect some of these borrowers to continue to do so. In the table below we provide information on the credit profile of our single-family loans in forbearance, which is somewhat weaker than the credit profile of our overall single-family guaranty book of business. We expect the number of single-family loans in forbearance to remain high in the near term due to the COVID-19 pandemic.

Single-Family Loans in Forbearance

	As of	
	June 30, 2020	December 31, 2019
	(Dollars in millions)	
Number of loans	972,088	5,415
Amortized cost	\$ 206,961	\$ 989
Unpaid principal balance	\$ 203,485	\$ 991
Percentage of single-family guaranty book of business based on unpaid principal balance	6.7 %	*
Percentage of single-family guaranty book of business based on loan count	5.7	*

* Represents less than 0.05% of single-family guaranty book of business.

The following tables display interest income recognized on single-family loans in forbearance held as of period end and the delinquency status and risk characteristics of such loans. As discussed in "Note 1, Summary of Significant Accounting Policies," we have updated our application of our nonaccrual accounting policy for those loans negatively impacted by the COVID-19 pandemic. For loans that were current as of March 1, 2020 and subsequently become delinquent, we will continue to accrue interest income according to the updated policy. This update resulted in a significant portion of delinquent loans, including those in forbearance, remaining on accrual status.

The amount of interest income we recognized on loans in forbearance was not material for the three and six months ended June 30, 2019, which was prior to the Interagency Statement and the update to our application of our nonaccrual policy.

Interest Income Recognized on Single-Family Loans in Forbearance

	For the Three Months Ended June 30, 2020		For the Six Months Ended June 30, 2020	
	(Dollars in millions)			
Interest income recognized on loans in forbearance held as of period end ⁽¹⁾	\$	2,065	\$	4,090

⁽¹⁾ Represents interest income recognized on these loans during the period, including amounts recognized prior to entry into a forbearance arrangement.

Delinquency Status and Risk Characteristics of Loans in Forbearance

As of June 30, 2020

As of December 31, 2019

October 9th, 2020Teresa Cordova, Chair
City of Chicago Plan Commission
Room 1000, City Hall
121 North LaSalle Street
Chicago, IL 60602RE: Affidavit of Notice of Chicago Lakefront Protection Ordinance
in compliance with 16-4-100(c) for 920 W. Lawrence Ave.

Dear Chairwoman Cordova:

The undersigned, Michael D. Noonan, an attorney with the law firm of Foley & Lardner, which represents, Heiwa Terrace 920 LLC, the applicant for plan approval under Section 16-4-100 of the Chicago Municipal code pertaining to the Lake Michigan and Chicago Lakefront Protection ordinance, and Japanese American Service Committee Housing Corp., the owner of the subject property, located at 920 W. Lawrence Ave, certifies that he has complied with the requirements of section 16-4-100 (c) to notice such property owners who appear to be the owners of the property within the subject property, and to the owners of all property within 250 feet of each direction of the lot line of the subject property, exclusive of public right of ways. Said notice was sent by first class U.S Mail, no more than 30 days before filing the application.

The undersigned certifies that the notice contained the location of the subject property; a statement of the intended uses of the property; the name and addresses of the applicant and owner of the subject property; and a statement that the applicant intends to file these application on approximately October 9th, 2020.

The undersigned certifies that the applicant has provided a list of the names and last known addresses of the owners of all property on which notice was served, in compliance with 16-4-100 (c) of the Chicago Municipal Code.

Sincerely,

Michael D. Noonan

Subscribed and sworn to before me
This 9th day of Oct., 2020

Notary Public



FOLEY & LARDNER LLP

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WRITER'S DIRECT LINE
312.832.5119
EMAIL
mnoonan@foley.com

CLIENT/MATTER NUMBER
459815-0118

October 9th, 2020

VIA FIRST CLASS U.S. MAIL

To: All owners of record of properties that are located within 250 feet of 920 W. Lawrence Ave.

Dear Property Owner:

In accordance with the requirements of Section 16-4-100 of the Lake Michigan and Chicago Lakefront Protection Ordinance, please be informed that on or about October 9th, 2020, the undersigned, on behalf of the Applicant, intends to file an application with respect to the property located at 920 W. Lawrence Ave. Chicago, IL 60640, for a plan review under the Lake Michigan and Chicago Lakefront Protection Ordinance.

The Applicant, Heiwa Terrace 920 LLC, proposes to renovate an existing affordable senior housing building first constructed in 1978. The building is located at Lawrence Ave. and Sheridan Rd. and contains twelve residential stories over one amenity and service floor. The building is situated with a large fenced-in garden to the west, parking for 43 cars to the east and an alley to the north. The parking lot is being revised to include additional accessible parking and will be brought into compliance with the landscape ordinance with the addition of parking islands and trees. The proposal is seeking to increase of the number of unite by three. The scope includes unit renovations, a ground floor gut renovation, a new HVAC system, a new sprinkler system providing full coverage to all units, new enlarged window wall systems, new bay windows on the ground floor, a new fiber cement cladding rain screen and new entry canopy.

Japanese American Services Committee Housing Corp. is the owner of the property and its address is 920 W. Lawrence Avenue, Chicago, IL 60640. The contact persons for this application Heiwa Terrace 920 LLC's attorneys, Donna J. Pugh and Michael D. Noonan, Foley & Lardner LLP, 321 N. Clark Street, Suite 3000, Chicago, IL 60654, at 312-832-5119.

Please note that the applicant is not seeking to rezone or purchase your property. The applicant is required by law to send this notice because you own property within 250 feet of the property to be rezoned.

Sincerely,

Michael D. Noonan

BOSTON
BRUSSELS
CHICAGO
DETROIT

JACKSONVILLE
LOS ANGELES
MADISON
MIAMI

MILWAUKEE
NEW YORK
ORLANDO
SACRAMENTO

SAN DIEGO
SAN FRANCISCO
SHANGHAI
SILICON VALLEY

TALLAHASSEE
TAMPA
TOKYO
WASHINGTON, D.C.

14-08-416-012-0000
JARVIS A RICHARDS JR
4835 N KENMORE
CHICAGO, IL 60640

14-08-416-013-0000
4833 N KENMORE AVE
CHICAGO, IL 60640

14-08-416-014-0000
4831 N KENMORE AVE
CHICAGO, IL 60640

14-08-416-025-0000
4830 SHERIDAN JJK PROP
1925 WEDGEWOOD DR
LAKE FOREST, IL 60045

14-08-416-026-0000
CTLTC PNB 32523
10 S LASALLE ST #2750
CHICAGO, IL 60603

14-08-416-027-0000
GO SHERIDAN
PO BOX 681
ITASCA, IL 60143

14-08-416-028-0000
GO SHERIDAN LLC
PO BOX 681
ITASCA, IL 60143

14-08-416-029-0000
4857 N KENMORE AVE
CHICAGO, IL 60640

14-08-416-030-0000
LAWRENCE HOUSE PROPERT
1020 W LAWRENCE AV 300
CHICAGO, IL 60640

14-08-418-002-0000
941 W CASTLEWOOD TER
CHICAGO, IL 60640

14-08-418-003-0000
ROBERT J WILD
939 CASTLEWOOD
CHICAGO, IL 60640

14-08-418-004-0000
MEL MICKEVIC
PO BOX 13519
ARLINGTON, TX 76094

14-08-418-005-0000
MEL MICKEVIC
PO BOX 13519
ARLINGTON, TX 76094

14-08-418-006-0000
MEL MICKEVIC
PO BOX 13519
ARLINGTON, TX 76094

14-08-418-007-0000
RUTH MARTIN
927 CASTLEWOOD TERR
CHICAGO, IL 60640

14-08-418-008-0000
JEFFREY LEHR
921 W CASTLEWOOD TERR
CHICAGO, IL 60640

14-08-418-011-0000
CHICAGO TITLE LAND TRU
905 W CASTLEWOOD TER
CHICAGO, IL 60640

14-08-418-012-0000
PHILIP S WOLIN
55 W MONROE ST 3600
CHICAGO, IL 60603

14-08-418-022-0000
4835 N SHERIDAN RD
CHICAGO, IL 60640

14-08-418-023-0000
944 W GUNNISON ST
CHICAGO, IL 60640

14-08-418-024-0000
942 W GUNNISON ST
CHICAGO, IL 60640

14-08-418-025-0000
GERALD S KELLMAN
940 W GUNNISON
CHICAGO, IL 60640

14-08-418-026-0000
WALTER C MOY
936 W GUNNISON ST
CHICAGO, IL 60640

14-08-418-027-0000
PAUL LOUIZOS
5914 W MIAMI AVE
CHICAGO, IL 60646

14-08-418-028-0000
GREGORY VILLREAL
930 W GUNNISON ST
CHICAGO, IL 60640

14-08-418-029-0000
EDELBERTO C PEREZ
928 W GUNNNISON
CHICAGO, IL 60640

14-08-418-030-0000
ESTHER CAMACHO
924 W GUNNISON ST
CHICAGO, IL 60640

14-08-418-031-0000
ELAINE A ENGELHARDT
920 W GUNNISON
CHICAGO, IL 60640

14-08-418-032-0000
R MANOOGIAN B6255
918 W GUNNISON ST
CHICAGO, IL 60640

14-08-418-033-0000
G YOUNGE T MACK
914 W GUNNISON ST
CHICAGO, IL 60640

14-08-418-034-0000
MARCIN KARWOWSKI
6411 N CALDWELL
CHICAGO, IL 60646

14-08-418-035-0000
SELINA MOY
2524 W MORSE AVE
CHICAGO, IL 60645

14-08-418-037-0000
DOG BRANDY LLC
670 N CLARK ST
CHICAGO, IL 60654

14-08-418-051-0000
RONALD T COMBS AS TRUS
917 W CASTLEWOOD TER
CHICAGO, IL 60640

14-08-418-052-0000
CHICAGO TITLE LAND TRU
905 W CASTLEWOOD TER
CHICAGO, IL 60640

14-08-418-056-1001
MARIA VALDES TREJO J
904 W GUNNISON ST#A
CHICAGO, IL 60640

14-08-418-056-1002
HUSEYIN UYGUN
904 W GUNNISON #B
CHICAGO, IL 60640

14-08-418-056-1003
LIBERTY ZIEGHAN
904 W GUNNISON ST #3E
CHICAGO, IL 60640

14-08-418-056-1004
Y M ROLLINS STERNER
906 W GUNNISON ST 1A
CHICAGO, IL 60640

14-08-418-056-1005
MARTHA A NILES
906 W GUNNISON #B
CHICAGO, IL 60640

14-08-418-056-1006
JAMES JAKEWAY
906 W GUNNISON ST C
CHICAGO, IL 60640

14-08-419-001-0000
REILLY MTG ASSOC INC
333 N MICHIGAN AV 1700
CHICAGO, IL 60601

14-08-419-002-0000
REILLY MTG ASSOC INC
333 N MICHIGAN AV 1700
CHICAGO, IL 60601

14-08-419-003-0000
REILLY MTG ASSOC INC
333 N MICHIGAN AV 1700
CHICAGO, IL 60601

14-08-419-004-0000
4801 N SHERIDAN RD
CHICAGO, IL 60640

14-08-419-007-0000
EDMUND S PASZYLIK
647 W ROSCOE ST
CHICAGO, IL 60657

14-08-419-012-0000
S GIANNAKOPOULOS-889
907 W GUNNISON
CHICAGO, IL 60640

14-08-419-022-0000
938 W LAWRENCE AVE
CHICAGO, IL 60640

14-08-419-023-0000
928 W LAWRENCE AVE
CHICAGO, IL 60640

14-08-419-024-0000
926 W LAWRENCE AVE
CHICAGO, IL 60640

14-08-419-025-0000
914 W LAWRENCE AVE
CHICAGO, IL 60640

14-08-419-026-0000
LAKESIDE TOWER LLC
650 N DEARBORN #550
CHICAGO, IL 60654

14-08-419-028-0000
VESELKO PEHAR
6829 N MINNETONKA
CHICAGO, IL 60646

14-08-419-043-1001
WRIGHT VOZANK
933 W GUNNISON 1E
CHICAGO, IL 60640

14-08-419-043-1002
MARC GRISETA
935 GUNNISON UNIT 1W
CHICAGO, IL 60640

14-08-419-043-1003
KEVIN D MCLENITHAN
933 W GUNNISON ST#2E
CHICAGO, IL 60640

14-08-419-043-1004
JOHN C OAKES
935 W GUNNISON #2W
CHICAGO, IL 60640

14-08-419-043-1005
DARCELYN PIERCE
933 W GUNNISON ST#3E
CHICAGO, IL 60640

14-08-419-043-1006
SCOTT PILARCZYK
935 W GUNNISON ST 3W
CHICAGO, IL 60640

14-08-419-044-1001
W HEARN L JONES
939 W GUNNISON
CHICAGO, IL 60640

14-08-419-044-1002
FRANCINE MCGEE
941 W GUNNISON 1W
CHICAGO, IL 60640

14-08-419-044-1003
PATRICK COUGHLIN
939 W GUNNISON ST 3E
CHICAGO, IL 60640

14-08-419-044-1004
FRANCINE MCGEE
941 W GUNNISON 1W
CHICAGO, IL 60640

14-08-419-044-1005
CHERIE FUCHS
941 W GUNNISON 2W
CHICAGO, IL 60640

14-08-419-044-1006
LARRY M SMALL
941 W GUNNISON 3W
CHICAGO, IL 60640

14-08-419-045-1001
SANHEETHA RAVICHANDRAN
901 W GUNNISON ST 1E
CHICAGO, IL 60640

14-08-419-045-1002
MATTHEW R MODICA
903 W GUNNISON ST #1W
CHICAGO, IL 60640

14-08-419-045-1003
CHRISTOPHE ROMATIER
901 W GUNNISON 2E
CHICAGO, IL 60640

14-08-419-045-1004
EMINA B PALOS
903 W GUNNISON ST 2W
CHICAGO, IL 60640

14-08-419-045-1005
J J HORINE
901 W GUNNISON ST #3E
CHICAGO, IL 60640

14-08-419-045-1006
DAVID B WITONSKY
903 W GUNNISON ST #3W
CHICAGO, IL 60640

14-08-419-046-1001
KARA WILLIAMS
909 W GUNNISON ST #1E
CHICAGO, IL 60640

14-08-419-046-1002
SAM PLOURD
909 W GUNNISON 2E
CHICAGO, IL 60640

14-08-419-046-1003
WALTER KINDERMAN
909 W GUNNISON #3E
CHICAGO, IL 60640

14-08-419-046-1004
ARI BENDERSKY
911 W GUNNISON #1W
CHICAGO, IL 60640

14-08-419-046-1005
MATT SIGSWORTH
911 W GUNNISON ST#2W
CHICAGO, IL 60640

14-08-419-046-1006
MICHAEL MERCIER
376 W SYCAMORE LANE
LOUISVILLE, CO 80027

14-08-419-047-1001
CRAIG FOLEY NEJDET E
921 W GUNNISON STE 1W
CHICAGO, IL 60640

14-08-419-047-1002
DAVID AABY
921 W GUNNISON ST#2W
CHICAGO, IL 60640

14-08-419-047-1003
EILEEN P MARCET
921 W GUNNISON 3W
CHICAGO, IL 60640

14-08-419-047-1004
ELEANOR KEMP
921 WEST GUNNISON ST
CHICAGO, IL 60640

14-08-419-047-1005
WILLIAM BOULWARE JR
921 W GUNNISON #2E
CHICAGO, IL 60640

14-08-419-047-1006
SIDNEY KAYE MILLER
921 W GUNNISON
CHICAGO, IL 60640

14-08-419-048-1001
WAYNE KLEBE
925 W GUNNISON #1E
CHICAGO, IL 60640

14-08-419-048-1002
T CHABAK B SILNES
925 W GUNNISON #1W
CHICAGO, IL 60640

14-08-419-048-1003
NILES SALLY FRANTZ
925 W GUNNISON AV
CHICAGO, IL 60640

14-08-419-048-1004
STEVEN GLICKMAN TRUST
925 W GUNNISON ST#2W
CHICAGO, IL 60640

14-08-419-048-1005
JIM AND EVE GAYLEY
925 W GUNNISON ST 3E
CHICAGO, IL 60640

14-08-419-048-1006
GINA M DIOMEDI
925 W GUNNISON #3W
CHICAGO, IL 60640

14-08-419-049-1001
N MEYERSON A LEWIS
833 W GUNNISON ST
CHICAGO, IL 60640

14-08-419-049-1002
JACQUELINE REISE
833 W GUNNISON ST #2
CHICAGO, IL 60640

14-08-419-049-1003
MARK A ROSENTHAL
833 W GUNNISON
CHICAGO, IL 60640

14-08-419-049-1004
N MEYERSON A LEWIS
833 W GUNNISON ST
CHICAGO, IL 60640

14-08-419-049-1005
JACQUELINE REISE
833 W GUNNISON ST #2
CHICAGO, IL 60640

14-08-419-049-1006
N MEYERSON A LEWIS
833 W GUNNISON ST
CHICAGO, IL 60640

14-08-419-049-1007
MARK A ROSENTHAL
833 W GUNNISON
CHICAGO, IL 60640

14-08-419-077-1001
KOLAWOLE ADEBAYO
904 W LAWRENCE #1E
CHICAGO, IL 60640

14-08-419-077-1002
TIMOTHY ROBERT GEHANT
904 W LAWRENCE AVE#1W
CHICAGO, IL 60640

14-08-419-077-1003
OLIVER MAURANDY
904 W LAWRENCE AVE
CHICAGO, IL 60640

14-08-419-077-1004
TIFFANY NEWBY
904 W LAWRENCE AVE#2W
CHICAGO, IL 60640

14-08-419-077-1005
JACOB MONTGOMERY
904 W LAWRENCE AVE#3E
CHICAGO, IL 60640

14-08-419-077-1006
CHIRAG R PATEL
904 W LAWRENCE AV 3W
CHICAGO, IL 60640

14-17-203-001-0000
ADEL FAKHOURY
6346 N KOLMAR
CHICAGO, IL 60646

14-17-203-002-0000
JAMES D SULLIVAN
9235 S WINCHESTER
CHICAGO, IL 60643

14-17-203-013-0000
ECUMENICAL INSTITUTE
4750 N SHERIDAN RD
CHICAGO, IL 60640

14-17-203-014-0000
ALERNATIVES INC.
1126 W.GRANVILLE AVE.
CHICAGO, IL 60660

14-17-203-019-1001
BEN CORWIN
833 W ROSCOE ST 2W
CHICAGO, IL 60657

14-17-203-019-1002
DARREN MADDEN JR
4737 N KENMORE#1S
CHICAGO, IL 60640

14-17-203-019-1003
MEGHAN SOVELL
4739 N KENMORE U2N
CHICAGO, IL 60640

14-17-203-019-1004
PAUL J FISHWICK JR
4737 N KENMORE#2S
CHICAGO, IL 60640

14-17-203-019-1005
THOMAS DINA SHARKEY
4739 N KENMORE AV 3N
CHICAGO, IL 60640

14-17-203-019-1006
JEROME ALBOM
4737 N KENMORE 3S
CHICAGO, IL 60640

14-17-203-020-1001
KEVIN KINNAMON
4741 N KENMORE AVE#1S
CHICAGO, IL 60640

14-17-203-020-1002
RONALD POLITO
4743 N KENMORE 1N
CHICAGO, IL 60640

14-17-203-020-1003
CARRILLO HART
4741 N KENMORE 2S
CHICAGO, IL 60640

14-17-203-020-1004
GIL ANDRES MARQUEZ
4743 N KENMORE AVE 2N
CHICAGO, IL 60640

14-17-203-020-1005
J COCHRAN
4741 N KENMORE AVE 3S
CHICAGO, IL 60640

14-17-203-020-1006
KYLE T DASSOFF
4743 N KENMORE AVE 3N
CHICAGO, IL 60640

14-17-203-020-1007
J COCHRAN
4741 N KENMORE AVE 3S
CHICAGO, IL 60640

14-17-203-020-1008
RONALD POLITO
4743 N KENMORE AV 1N
CHICAGO, IL 60640

14-17-203-020-1009
KYLE T DASSOFF
4743 N KENMORE AVE 3N
CHICAGO, IL 60640

14-17-203-020-1010
CARRILLO HART
4741 N KENMORE 2S
CHICAGO, IL 60640

14-17-203-020-1011
KEVIN KINNAMON
4741 N KENMORE AVE#1S
CHICAGO, IL 60640

14-17-203-021-1001
JAMES CAPPLEMAN
4727 N KENMORE
CHICAGO, IL 60640

14-17-203-021-1002
GREGOR A ZURAWSKI
4727 N KENMORE 2
CHICAGO, IL 60640

14-17-203-021-1003
AMANDA LEIGH ROY
4727 N KENMORE AVE#3
CHICAGO, IL 60640

14-17-203-021-1004
NATALIE L FISK
4727 N KENMORE AVE 4G
CHICAGO, IL 60640

14-17-203-021-1005
PATRICIA E SULLIVAN
4729 N KENMORE AV 1
CHICAGO, IL 60640

14-17-203-021-1006
GEORGIA BOCKOS
4729 N KENMORE 2
CHICAGO, IL 60640

14-17-203-021-1007
MARIE L OLOUGHLIN
4729 N KENMORE AVE#3
CHICAGO, IL 60640

14-17-203-021-1008
JACOB LEVINE
4729 N KENMORE AVE#4
CHICAGO, IL 60640

14-17-203-021-1009
SAMANTHA MURPHY
4731 N KENMORE AVE#1
CHICAGO, IL 60640

14-17-203-021-1010
M WASHINGTON D SCHOF
4731 N KENMORE #2
CHICAGO, IL 60640

14-17-203-021-1011
RISA POSNER
4731 N KENMORE AVE 3
CHICAGO, IL 60640

14-17-203-021-1012
C VELETA
4731 N KENMORE 4
CHICAGO, IL 60640

14-17-203-021-1013
RICHARD RIOS
4733 N KENMORE AVE#1
CHICAGO, IL 60640

14-17-203-021-1014
ELIZABETH G LENT
4733 N KENMORE #2N
CHICAGO, IL 60640

14-17-203-021-1015
DAVID BARIE
4733 N KENMORE AVE#3
CHICAGO, IL 60640

14-17-203-021-1016
BRYCE GRIFFIN
4733 N KENMORE AVE#4
CHICAGO, IL 60640

14-17-203-021-1017
JAMES CAPPLEMAN
4727 N KENMORE
CHICAGO, IL 60640

14-17-203-021-1018
ANA INDIRA ARA
4729 N KENMORE AV 1
CHICAGO, IL 60640

14-17-203-021-1019
E JOHNSON
4727 N KENMORE#3#G3
CHICAGO, IL 60640

14-17-203-021-1020
GEORGIA BOCKOS
4729 N KENMORE 2
CHICAGO, IL 60640

14-17-203-021-1021
MARIE L OLOUGHLIN
4729 N KENMORE AVE#3
CHICAGO, IL 60640

14-17-203-021-1022
C VELETA
4731 N KENMORE 4
CHICAGO, IL 60640

14-17-203-021-1023
M WASHINGTON D SCHOLFI
4731 N KENMORE #2
CHICAGO, IL 60640

14-17-203-021-1024
RICHARD RIOS
4733 N KENMORE AVE#1
CHICAGO, IL 60640

14-17-203-021-1025
RISA POSNER
4731 N KENMORE AVE 3
CHICAGO, IL 60640

14-17-203-021-1026
DAVID BARIE
4733 N KENMORE AVE#3
CHICAGO, IL 60640

14-17-205-001-0000
RICHARD LOGAN ATTORNEY
980 N MICHIGAN AVE1122
CHICAGO, IL 60611

14-17-205-002-0000
4757 N SHERIDAN RD
CHICAGO, IL 60640

14-17-205-003-0000
931 W LAWRENCE AVE
CHICAGO, IL 60640

14-17-205-004-0000
929 W LAWRENCE AVE
CHICAGO, IL 60640

14-17-205-007-0000
EDWIN YOYKO MILLER
915 W LAWRENCE AV
CHICAGO, IL 60640

14-17-205-008-0000
DONNA FORSBERG
4334 N GREENVIEW
CHICAGO, IL 60613

14-17-205-009-0000
ZALE LAWRENCE LLC
3824 N ASHLAND
CHICAGO, IL 60613

14-17-205-042-0000
LAKESIDE SQUARE
7700 SAN FELIPE ST 300
HOUSTON, TX 77063

14-17-205-049-1001
ZHIJIE LIU
858 W LAKESIDE PL#A
CHICAGO, IL 60640

14-17-205-049-1002
MICHAEL R DUDECK
858 W LAKESIDE PL B
CHICAGO, IL 60640

14-17-205-049-1003
MICHAEL VAN DANG
858 W LAKESIDE PL C
CHICAGO, IL 60640

14-17-205-049-1004
BRIAN GILLEN
858 W LAKESIDE PL D
CHICAGO, IL 60640

14-17-205-049-1005
PETER SKRABACZ
860 W LAKESIDE PL#A
CHICAGO, IL 60640

14-17-205-049-1006
JOYCE ODURO
860 W LAKESIDE PL #B
CHICAGO, IL 60640

14-17-205-049-1007
ADAM FENDELMAN
860 W LAKESIDE PL C
CHICAGO, IL 60640

14-17-205-049-1008
DOROTHY CHATFIELD
PO BOX 13363
CHICAGO, IL 60613

14-17-205-051-0000
OLIVER COTTER
PO BOX 220485
CHICAGO, IL 60622

14-17-205-052-1001
KELLY FOSTER
927 W LAWRENCE G
CHICAGO, IL 60640

14-17-205-052-1002
MICHAEL KILLEEN
927 W LAWRENCE AVE H
CHICAGO, IL 60640

14-17-205-052-1003
CYNTHIA YOUNG
927 W LAWRENCE #1
CHICAGO, IL 60640

14-17-205-053-1001
JENNIFER HONG
925 W LAWRENCE D
CHICAGO, IL 60640

14-17-205-053-1002
JENNIFER HONG
925 W LAWRENCE D
CHICAGO, IL 60640

14-17-205-053-1003
JENNIFER HONG
925 W LAWRENCE AVE F
CHICAGO, IL 60640

14-17-205-054-1001
RICARDO E CORREA
5310 S ARCHER AVE
CHICAGO, IL 60632

14-17-205-054-1002
RICARDO E CORREA
5310 S ARCHER AVE
CHICAGO, IL 60632

14-17-205-054-1003
RICARDO E CORREA
5310 S ARCHER AVE
CHICAGO, IL 60632

14-17-205-055-1001
JESSICA MAGNATTA
900 W LAKESIDE PL #1
CHICAGO, IL 60640

14-17-205-055-1002
CHARLOTTE FLICK PARKS
900 W LAKESIDE PL#2
CHICAGO, IL 60640

14-17-205-055-1003
MICHAEL R KNEPPER
900 W LAKESIDE PL#3
CHICAGO, IL 60640

14-17-205-055-1004
JOANNE MALINOWSKI
900 W LAKESIDE PL 4
CHICAGO, IL 60640

14-17-205-055-1005
BRADLEY R MIRLY
900 W LAKESIDE PL#5
CHICAGO, IL 60640

14-17-205-055-1006
LILLY LAVNER
900 W LAKESIDE PL#6
CHICAGO, IL 60640

14-17-205-060-1001
LAURA ROSE
908 W LAKESIDE PL#1W
CHICAGO, IL 60640

14-17-205-060-1002
TAXPAYER OF
908 W LAKESIDE AVE
CHICAGO, IL 60640

14-17-205-060-1003
MARINA PLAVSIC
1907 W SUNNYSIDE AVE
CHICAGO, IL 60640

14-17-205-060-1004
FRECERIC BACON
906 W LAKESIDE PL 16
CHICAGO, IL 60640

14-17-205-060-1005
THU H PHAM
906 W LAKESIDE PL
CHICAGO, IL 60640

14-17-205-060-1006
STEPHEN BINGHAM
906 W LAKESIDE PL #3E
CHICAGO, IL 60640

14-08-419-050-1001
DAVID RIFT REVOCABLE T
915 W GUNNISON ST#1E
CHICAGO, IL 60640

14-08-419-050-1002
CHRISTOPHER SCHMIDT
915 W GUNNISON 2E
CHICAGO, IL 60640

14-08-419-050-1004
KIRK D TODD
917 W GUNNISON AV #1W
CHICAGO, IL 60640

14-08-419-050-1005
OLEKSI LIULKA
917 W GUNNISON ST#2W
CHICAGO, IL 60640

FOLEY & LARDNER LLP
 777 E Wisconsin Ave
 Milwaukee, WI 53202

NO. 1541012

Date **October 08, 2020**
 Void After 90 Days

79-1160/759

PAY **One Thousand Five Hundred and 00/100 Dollar(s)**

AMOUNT
\$1,500.00

U.S. Bank Wausau, Wisconsin



PAY TO
 THE
 ORDER
 OF

CITY OF CHICAGO, DEPARTMENT OF REVENUE

FOR _____

CHECKS OVER \$15,000 REQUIRE TWO SIGNATURES

⑈ 1541012⑈ ⑆075911603⑆ 755701992⑈

Page Number	Check Date	Check Number	Check Amount	Paid to	
1	10/08/20	1541012	\$1,500.00	CITY OF CHICAGO, DEPARTMENT OF REVENUE	
Invoice Number	Invoice Date	Matter #	GL Acct	Amount	Check Memo
10072020	10-07-20	117130-0101	20103-01	\$1,500.00	CDST: CHIC (Meaghan E., O'Connor)