



Federal Housing Finance Agency

Constitution Center
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May 17, 2021

Cynthia K. Waldron
Quantitative Director, Affordable Lending Analytics and Research
Freddie Mac
1551 Park Run Drive
McLean, VA 22102-3110

Dear Ms. Waldron:

On December 21, 2020, the Federal Housing Finance Agency (FHFA) published a final rule in the *Federal Register* establishing housing goals for 2021 for Freddie Mac.

The final rule provides that the overall low-income areas benchmark goal shall include the 14 percent benchmark for the subgoal plus an increment for families in disaster areas with incomes no greater than area median income (AMI). This disaster areas increment for 2021 is 4 percent, resulting in an overall benchmark of 18 percent for the low-income areas home purchase goal for 2021.

The disaster areas increment to the low-income areas home purchase subgoal was calculated by determining all counties that were designated as being eligible for individual disaster assistance during the 2018-20 period, but were not already included in the low-income areas home purchase subgoal.

Home purchase mortgages to families in these areas with incomes no greater than 100 percent of area median income, but which were not already included in the low-income areas home purchase subgoal, were calculated as a share of all home purchase mortgages, based on FHFA analysis of Home Mortgage Disclosure Act (HMDA) data for 2015-19. This yielded the 4 percent disaster areas increment for 2021. The details underlying the calculation of the 2021 disaster areas increment are contained in the enclosed document, "Methodology for Establishing Designated Disaster Areas."

If you have any questions, please contact Ted Wartell, Manager, Office of Housing & Community Investment, at Ted.Wartell@fhfa.gov or (202) 649-3157.

Sincerely,

X

Sandra Thompson

Sandra Thompson
Deputy Director, Division of Housing Mission and Goals

Enclosure