

Exhibit E:

Annual Loan Purchase Narrative Reporting Template

FREDDIE MAC
RURAL HOUSING
2021
LOAN PURCHASE

ACTIVITY:

1 – High-Needs Rural Regions: Regulatory Activity

OBJECTIVE:

A – Increase Single-Family Loan Purchases in High-Needs Rural Regions

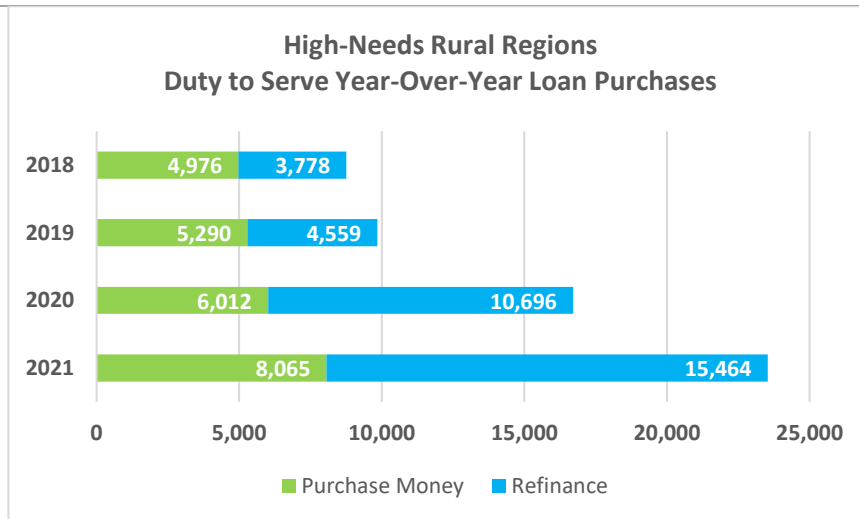
SUMMARY OF RESULTS:

	Loan Count			UPB (\$MM)
Baseline	10,413			-
2021 Target	16,500-17,900			-
2021 Volume	23,529			\$3,277
2021 Volume by AMI	≤ 50%: 3,660	> 50-80%: 11,191	> 80-100%: 8,679	

Freddie Mac exceeded our 2021 target under this objective, helping more people in high-needs rural regions (HNRR) achieve sustainable homeownership than forecast in our Plan. This was the fourth consecutive year in which we exceeded our purchase target and increased liquidity in this market.

In total, we provided almost \$3.3 billion in liquidity to fund 23,529 qualifying loans in HNRR, surpassing our baseline by 126% (by volume) and the top of our target range by 31%. About 64% of this volume comprised loans made to households with low incomes.

Compared to 2020 HNRR loan volume, we funded 6,821 more loans in 2021, a 41% year-to-year increase. Of our total 2021 volume in this market, 34% more loans were for home purchases and 45% more were for refinances than in 2020.



Near-historically low interest rates contributed significantly to purchase growth. An extraordinary number of homeowners refinanced their mortgages, saving money by lowering their monthly payments and/or shortening their loan terms; refinances began to taper later in the year, however. The low rates also helped many people afford to buy homes, despite rising home prices. The ability to work remotely further increased housing demand and home purchases.

We further drove purchase growth through extensive outreach to our lenders and efforts to educate industry professionals on how using our products and resources can help them grow their businesses. This included providing technical assistance to small lenders that are not approved Freddie Mac sellers, enabling them to gain access to the secondary mortgage market through aggregators. At the same time, we reached out to our larger lenders to make them aware of opportunities to boost their lending in HNRR with our products and to aggregate loans. We also worked with our non-profit partners to increase their capacity to provide education and counseling that help more people attain and sustain homeownership.

We delivered this level of effort and exceeded our purchase target during the coronavirus pandemic. Freddie Mac, lenders, housing intermediaries, and other industry participants continued to adjust priorities, resources, and ways of working, while fulfilling our business purposes. Our results in this environment reflect our collaboration, creativity, and commitment to this market.

SELF-ASSESSMENT RATING OF PROGRESS:

- Target met
- Target exceeded
- Objective partially completed
- No milestones achieved

IMPACT:

- 50 – Very Large Impact
- 40
- 30 – Meaningful Impact
- 20
- 10 – Minimal Impact

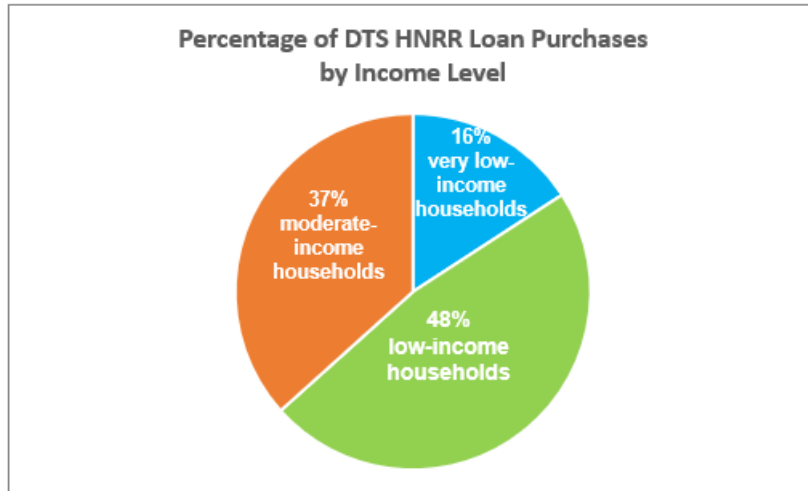
☐ 0 – No Impact

IMPACT EXPLANATION:

1. How and to what extent were the actions or deliverables under this objective impactful in addressing the applicable underserved market’s needs, or in laying the foundation for future impact in addressing the underserved market’s needs?

Our actions made a very large impact in HNRR. We increased liquidity, access to the secondary market, and sustainable homeownership opportunities – while contending with the coronavirus pandemic.

Our loan purchases expanded affordable lending to people who most need greater access to credit. Almost two-thirds of our 2021 purchases in HNRR benefited households with very low and low incomes. A significant number of our 2021 HNRR loan purchases helped first-time homebuyers, despite low inventory of affordable homes and rising home prices.



Note: Total percentage exceeds 100% due to rounding.

Our achievements reflect the difference our continuous and committed leadership has made toward addressing this market's longstanding challenges.

- Continued extensive industry outreach and education to raise awareness, adoption, and usage of our offerings, which we rolled out based on industry input to fill market needs, increase efficiencies, and support more borrowers.
- Enabled more lenders to sell loans to us.
- Continued to offer training to make appraisals easier and more accurate.
- Held our third Rural Research Symposium, bringing together leaders from across the housing industry to share research and insights that could lead to rural housing solutions.
- Continued to boost our non-profit partners' capacity to prepare people for homeownership; included training for some on originating and packaging loans for the secondary mortgage market. Built and strengthened relationships.

Because of our efforts, Duty to Serve has had a very large impact in HNRR since our program began in 2018:

- More lenders have access to the secondary market, more financing options, and more confidence in lending in HNRR.
- Obstacles to rural appraisals and lending have been lowered.
- Non-profit housing agencies have more capacity to fulfill their missions.
- More people are prepared for responsible homeownership.
- The affordable lending ecosystem works more effectively.
- More than \$7.6 billion flowed to HNRR, financing 58,840 homes.

2. What did the Enterprise learn from its work about the nature of the underserved market's needs and how to address them?

We learned that many homeowners in HNRR who could benefit from refinancing their mortgages had not yet taken advantage of near-historically low interest rates to reduce their monthly payments or shorten their loan terms. Rural homeowners tend to stay in the same homes for longer than the average; therefore, they tend to have more opportunities to refinance over time. Freddie Mac asked our lenders to focus more effort on connecting with eligible customers and educating them on the opportunity and available mortgage options. They did. As a result, 66% of our 2021 loan purchases, representing 15,464 homeowners, were refinances.

3. Optional: If applicable, why was the Enterprise unable to achieve the Plan target?

Not applicable.