FEDERAL HOUSING FINANCE AGENCY
Office of the Director

March 31, 2016

Mr. Donald H. Layton
Chief Executive Officer
Federal Home Loan Mortgage Corporation
8200 Jones Branch Drive
McLean, VA 22102

Dear Mr. Layton:

FHFA has completed its review of Freddie Mac's Affordable Housing Plan for 2016-2017 and the two addenda thereto (collectively, "the Plan") submitted pursuant to 12 USC 4566(b) which addresses the failure to meet a housing goal and 12 USC 4566(c) that governs submission of a housing plan for FHFA review and approval when required in such circumstances. Such approval is made after review and a determination that the plan submitted "…is likely to succeed, and conforms with the...Federal Home Loan Mortgage Corporation Act…, this chapter, and any other applicable provision of law." Additionally, FHFA's regulation, Enterprise Housing Goals and Mission, provides that the Director must determine that the plan submitted is feasible, sufficiently specific to permit monitoring of compliance periodically and describes actions to be taken to achieve its goals; 12 CFR 1282.21.

I have determined that the Plan meets the statutory and regulatory provisions and this letter will advise you that I have approved the Plan, subject to the following conditions which will facilitate our monitoring obligations:

1. Freddie Mac shall provide quarterly briefings and written updates to FHFA on affordable products and potential eligibility changes that are consistent with prudent lending. The briefings should provide a discussion of market context as well as impediments and challenges that Freddie Mac is addressing and proposed solutions.

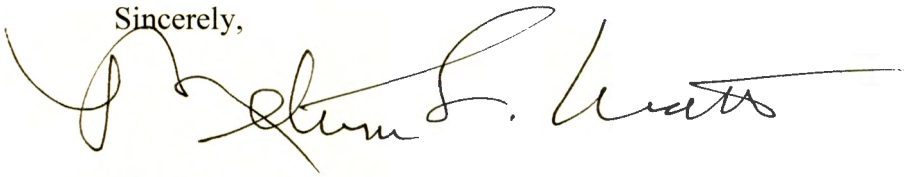
2. Freddie Mac will provide measures of effectiveness for activities related to Lender Outreach and Housing Finance Agency Outreach that it will track throughout the plan years and report to FHFA.

3. Freddie Mac will provide metrics for Housing Intermediary Outreach, including the linkage between these outreach activities and achievements of the goals.

400 7th Street, S.W., Washington, D.C. 20024 • 202-649-3801 • 202-649-1071 (fax)

Any information submitted to comply with the above conditions and any questions should be addressed to Mr. Ted Wartell, Manager, Office of Housing and Community Investment, Division of Housing Mission and Goals, at Ted.Wartell@fhfa.gov or (202) 649-3157.

Sincerely,



Melvin L. Watt