

Exhibit E:
Annual Loan Purchase Narrative Reporting Template

FREDDIE MAC
AFFORDABLE HOUSING PRESERVATION
2024
LOAN PURCHASE

ACTIVITY:

10 – Support for Shared Equity Programs for Affordable Housing Preservation: Regulatory Activity

OBJECTIVE:

A – Increase Loan Purchases of Shared Equity Mortgages

INFEASIBILITY:

- ☐ Check here if the Enterprise is submitting an infeasibility request for the objective.

SUMMARY OF RESULTS:

Freddie Mac exceeded our 2024 target for the purchase of mortgages secured by properties under shared equity programs. We provided \$44 million to fund 201 loans, surpassing our baseline of 47 loans by 328%. Of the shared equity loans purchased, a total of 92% went to households with low and very low incomes. Total Duty to Serve shared equity loan volume increased 31% year over year.

Of our total 2024 Duty to Serve shared equity loan purchases, 95% helped people buy homes; we bought 28% more purchase-money loan purchases in 2024 than in 2023. Refinance loan purchase volume increased slightly year over year; in addition to interest rates making refinance less attractive, shared equity homeowners are less likely to refinance than other homeowners and some shared equity programs require the program steward's permission and preauthorization to refinance.

We drove shared equity loan purchase growth through extensive industry and lender outreach and education, which took substantial time and resources because of changes in lenders' staffing and business priorities as well as resource constraints for lenders and shared equity programs.

We delivered this level of effort and exceeded our purchase target in the face of the changing market dynamics. Our results 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

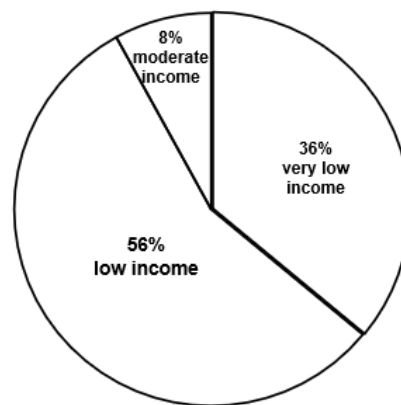
IMPACT EXPLANATION:

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 efforts under this objective made a very large impact on the shared equity market. We broadened access to credit, provided liquidity, and raised awareness of shared equity programs and their benefits. The liquidity that we provided made a significant positive difference, given the shared equity market's very small size. In addition, our strategic approach to building and expanding relationships with community land trust (CLT) coalitions at the state and regional levels laid the foundation for greater support of their programs and lender connectivity.

As a result of the extensive resources and collaborative efforts that we devoted to expanding responsible lending in this market, we helped very low-, low-, and moderate-income households finance shared equity homes. The vast majority of the loans we purchased, around 93%, helped make homeownership affordable for very low- and low-income households.

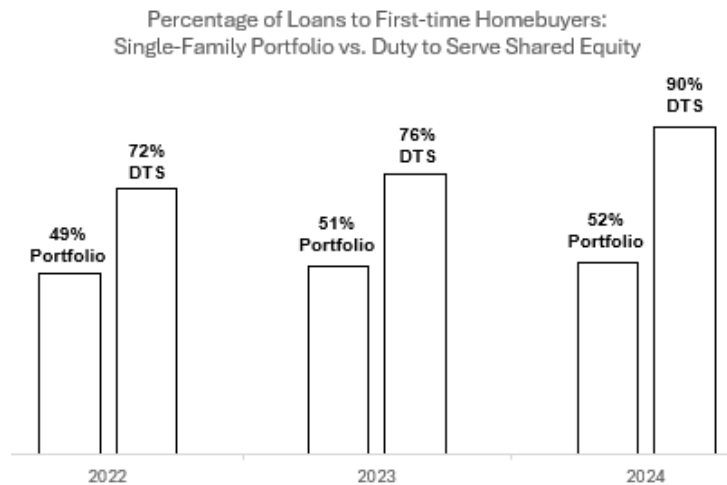
**Percentage of DTS Shared Equity Loan Purchases
by Income Level**



Through our continuous, extensive outreach efforts a significant number of lenders and housing finance agencies (HFA) adopted our shared equity mortgage offerings and sold us loans that had not sold us shared equity loans in the past.

Shared equity homeownership programs are designed mainly to promote first-time homeownership. Our shared equity purchase-money loan purchases helped a larger percentage of people become first-time homebuyers than did purchase-money loan purchases in Freddie Mac Single-Family's portfolio in 2024:

90% versus 52%. The percentage of our loan purchases that supported first-time homebuyers increased each year during the 2022-2024 Plan cycle.



Our success in 2024 was due to our leadership and commitment to increasing access to credit, as well as affordable and sustainable home ownership opportunities in the shared equity market:

- Continued to conduct extensive market outreach and education activities, reaching more than 1,100 industry professionals through webinars, conferences, and other learning events.
- Expanded our engagement and involvement with regional and state coalitions to demonstrate our commitment to this market, raise awareness of and interest in our offerings, build relationships, and promote collaboration.
- Kept the CLT Database up-to-date. This tool, available on FreddieMac.com, contains information that helps lenders connect with shared equity programs in their lending footprints that have inventory for sale so that the program stewards may provide homebuyers with lenders' contact information.
- Added three CLTs that were certified under the Florida Housing Coalition's CLT Certification Program to our list of CLTs. Lenders are not required to conduct ground lease reviews when originating loans for homes in certified programs, thereby reducing origination time and cost.
- Qualified six below-market-rate programs as meeting Freddie Mac requirements, which facilitates origination processes in a manner similar to CLT certification.
- Beyond the Home Possible® very low-income incentive, offered a limited pricing incentive to a selection of lenders to encourage them to deliver shared equity loans to Freddie Mac and offset their origination costs.
- Continued to enhance our shared equity policies to help make originating shared equity loans faster and easier, promote lender participation, boost market liquidity, and support more borrowers responsibly.
 - Removed the requirement for the lender to review additional ground lease requirements if the CLT is certified under Fannie Mae's certification program.

- Expanded the types of mortgages that may be delivered to Freddie Mac with an attorney opinion of title letter in lieu of a title insurance policy, resulting in cost savings for the borrower(s).
- Updated our Seller/Servicer Guide to reflect FHFA's final rule (effective May 13, 2024) allowing Freddie Mac to purchase shared equity loans that include private transfer fees.

Because of our Duty to Serve efforts, Freddie Mac had a very large impact in the shared equity space:

- More lenders, including housing finance agencies (HFAs), have access to the secondary market, more financing options, and more confidence in lending.
- More CLTs and lenders were able to connect with each other, providing more financing options and reducing costs for homebuyers and homeowners.
- More homeowners financed shared equity homes with conventional mortgages.
- The ecosystem works more effectively in helping homebuyers realize affordable homeownership.
- Over the course of the 2022-2024 Duty to Serve Plan cycle, more than \$107 million flowed to the shared equity market through our loan purchases, financing nearly 500 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 the importance of engaging with and supporting the industry at various levels as the shared equity market grows. While strides toward standardization are being made, the shared equity market still is fragmented. Efforts at the national level are vital for continued market growth and standardization. However, national organizations may not have the resources to address the unique requirements related to state and/or local funding sources, local laws, and political environments. Many CLTs are starting to form coalitions at the state and/or regional level to supplement support they receive from national organizations and to address their common challenges, opportunities, and potential solutions.

Building relationships with these coalitions is essential to serve the market effectively. It is important to understand the challenges each region faces and to support the solutions that the market participants create. As an example of how we are reaching out to these coalitions, in 2024, we met with the Ohio, Michigan, and Wisconsin coalitions. We also participated in the Midwest CLT conference, Northwest CLT Coalition Gathering, and Florida Housing Coalition CLT Caucus. To strengthen these new relationships, we held follow-up conversations to explore how Freddie Mac might support continued coalition development and growth. During the 2025-2027 Plan cycle, we will continue to build relationships with coalitions to solicit policy feedback and inform our market decisions.

We also learned that HFAs need more tailored outreach and technical assistance than other lenders to adopt products, resulting in longer adoption timelines. For example, our 2022 policy update permitting CLT mortgages to be sold through our guarantor path significantly expanded access to the secondary market for HFAs, which are a vital part of the shared equity ecosystem. The new policy only started to yield results in early 2024, following a targeted outreach and education effort. CLT mortgage deliveries from HFAs increased 117% year-over-year and we laid the foundation for greater HFA participation in the future.

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

Not applicable.