2025

Annual Housing Activities Report

Federal Home Loan Mortgage Corporation

March 2026

Freddie Mac

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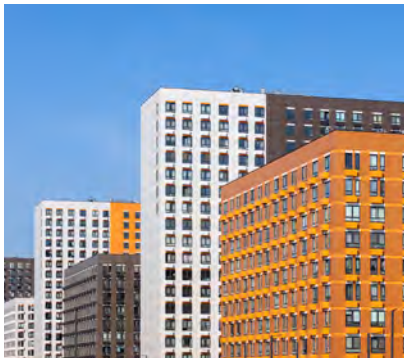
About Freddie Mac

Chartered by Congress in 1970, our mission is to provide liquidity, stability and affordability to the U.S. housing market in all economic environments. We accomplish this primarily by purchasing single-family and multifamily residential mortgage loans originated by lenders.

In most instances, we package these loans into guaranteed mortgage-related securities, which are sold in the global capital markets, and transfer interest rate and liquidity risk to third-party investors. We also transfer credit risk to market participants including through our credit risk transfer (CRT) offerings. We consistently focus on risk management and protecting our capital across all our programs. We also invest in mortgage loans, mortgage-related securities and other types of assets. We do not originate mortgage loans or lend money directly to mortgage borrowers.

Freddie Mac supports the U.S. housing market and the overall economy by enabling America's families to access mortgage loan funding with better terms, providing consistent liquidity to the single-family and multifamily mortgage markets. We also help ensure stability in the market during times of crisis.

Our Mission: Providing Liquidity, Stability and Affordability to the Markets



LIQUIDITY
We keep mortgage money flowing through the housing market in communities from coast to coast

STABILITY
Our continued support for the housing market in good times and bad helps families rent, buy and keep homes they can afford

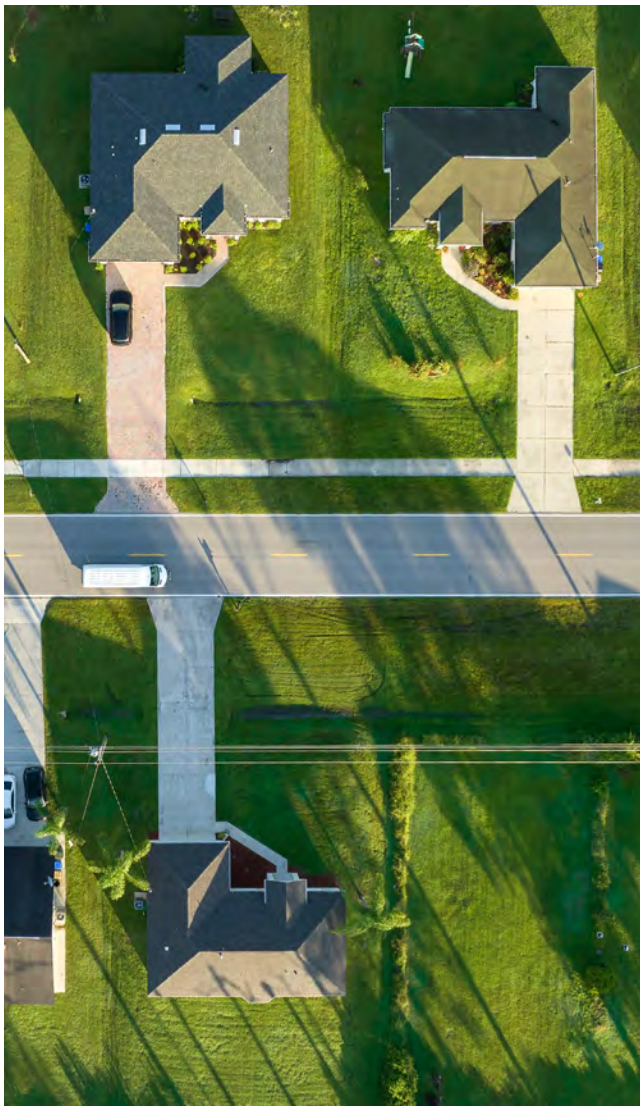
AFFORDABILITY
We are committed to finding new ways of ensuring that quality affordable housing remains within reach

Executive Summary

In 2025, Freddie Mac made significant strides to support the housing market and make housing more affordable for American families. We did this by supporting first-time homebuyers, low- and moderate-income renters, investing in technology to lower the cost of origination and supporting supply. These efforts helped 1.7 million families buy, finance or rent a home in 2025.

In this report, Freddie Mac demonstrates its efforts to support the housing market in 2025. We remain committed to our mission and to developing additional ways to make home possible for more American families.

Supporting Homebuyers and Lenders: Single-Family's 2025 Highlights



In 2025, Freddie Mac continued to be a steady and consistent engine of America's single-family housing market. We supported 1.1 million families and provided nearly $389 billion in liquidity to the market through our purchase of loans from 1,050 mortgage lenders.

In 2025, Freddie Mac continued to be a steady and consistent engine of America's single-family housing market. We supported 1.1 million families and provided nearly $389 billion in liquidity to the market through our purchase of loans from 1,050 mortgage lenders. We brought efficiency, cost savings and prudent risk management to the housing market through investments in technology. We also worked to lower the cost of housing in other ways, such as by supporting supply and continuing to promote affordable housing.

Advancing Affordability and Supply

Freddie Mac continues to advance affordability and supply. In 2025, 53% of the single-family mortgages we purchased were affordable to low- and moderate-income families. Of those buying a primary residence, more than half were first-time homebuyers, currently a three-year trend. Freddie Mac also surpassed one million loans financed through our low down payment Home Possible® offering, providing a total of $226 billion in liquidity since its inception in 2015.

In 2025, we supported supply by expanding our conventional housing options to include single-section factory-built homes, which are significantly less expensive. We also now provide borrowers the flexibility to finance, refinance, build or renovate accessory dwelling units (ADUs) through all our mortgage offerings. And we established a Builder Council to bring together industry stakeholders to address challenges, remove barriers and enhance collaboration to strengthen housing supply.

Freddie Mac also supported the stability of the housing market by continuing to employ strategies that help families stay in their homes and enhance Freddie Mac's safety and soundness. For example, we helped 94,000 families avoid foreclosure and remain in their homes.

Investing in Technology to Reduce Costs

Put simply, technology is driving much of the efficiency and cost savings we bring to borrowers and lenders. We pioneered automated underwriting 30 years ago, and today our automated underwriting system, Loan Product Advisor® (LPA®), carries on that tradition.

We continue to evolve LPA with enhancements that reduce pain points, better manage risk and save time and money for lenders and borrowers alike. In fact, lenders that maximize LPA's digital tools are originating loans that are, on average, $1,700 less costly. Those lenders also can shorten production timelines by an average of five days.

Over the course of the year, we improved LPA with enhanced feedback messages that help loan officers make quicker, more informed decisions. This enhancement has assisted lenders in qualifying nearly 100,000 additional borrowers, including more than 50,000 first-time homeowner applications. The company did so while prioritizing safety, soundness and long-term risk management.

Beyond the origination process, we launched Freddie Mac Gateway®, which provides a single point of entry to the tools lenders and servicers need to manage loans throughout their lifecycle.

Improving Loan Quality and Reducing Risk

In addition to saving time and money, our technology advancements are rooted in safety and soundness, with the goal of enhanced loan quality. In fact, by utilizing automation to assess collateral risk through our tools, Freddie Mac has saved families over $2.5 billion in appraisal costs since 2017. Additionally, our analysis shows that lenders who use these digital tools originate mortgages that are four times less likely to have loan defects.

We are also lowering lenders' exposure to costly loan repurchases and incentivizing strong loan quality in other ways. For example, the hundreds of participants in our performing loan repurchase alternative pilot on average have a 26% lower defect rate than non-participants, reflecting better loan quality. Repurchase demands also are down 61% from their peak in 2023, saving lenders millions collectively.

We continue to adapt our offerings to help lenders qualify more borrowers and improve loan quality. The new Freddie Mac Income Calculator, already used by over 1,000 lenders, enables more accurate borrower assessments and reduces defects and repurchase risk. We also launched a new platform that streamlines post-purchase quality control, ensuring consistent decisions and significantly reducing review time for lenders.

Meeting the Needs of the Rental Market: Multifamily's 2025 Highlights

In 2025, Freddie Mac continued to lead the multifamily market, providing $77.6 billion in liquidity, a 17% increase over 2024. This financing supported 617,000 rental units across the U.S., with 93% of those units affordable to low-and-moderate income families at or below 120% of AMI. We also worked to meet market demand for rental housing by delivering solutions that expand access to capital, create or preserve affordable rental supply and effectively manage risk while delivering an optimal customer experience.

Creating and Preserving Affordable Rental Units

In 2025, Freddie Mac supported over 577,000 affordable rental units across the U.S. while maintaining strong safety and soundness standards. Of those units, 59,000 were financed through programs focused on workforce housing preservation, forward commitments and forward conversions. We also met or exceeded all of the affordable housing goals set by U.S. Federal Housing.

Of these totals, nearly 70% of eligible units financed were affordable to low-income residents earning at or below 80% of area median income (AMI) and about 17% were affordable to very low-income residents with incomes no greater than 50% of AMI.

Increasing the nation's supply of affordable rental housing requires a financing system that meets developers where they are. In 2025, Freddie Mac Multifamily updated its programs to help support supply in a number of ways. We provided $4.2 billion in new Forward Commitments and funded $2.4 billion in prior commitments. This product gives borrowers and construction lenders certainty that Freddie Mac will purchase loans in the future with terms locked in today. We also expanded the program to include conventional loans.

Multifamily invested $1.2 billion in Low-Income Housing Tax Credit equity, which helps create and preserve affordable rental housing units nationwide. We also enhanced our Lease-Up Loan program which is another tool to address the rental housing supply gap.

Adapting to Multifamily Demand in the Capital Markets

On the securitization side, in 2025, Multifamily adapted to meet market demands, prioritizing flexibility and efficiency to deliver the best customer experience while reinforcing the stability and resilience of the company's portfolio.

Freddie Mac issued $68 billion of multifamily securities in 2025, transferring interest rate risk, liquidity risk and credit risk away from U.S. taxpayers to private investors. In 2025, Freddie Mac Multifamily settled $32.6 billion in K-Deals® and a company record $28.1 billion in Multi PC® issuances, injecting liquidity into the multifamily housing market to support an increased supply of affordable rental housing around the country.

Statutory Reporting Requirements

Pursuant to section 307(f) of the Federal Home Loan Mortgage Corporation Act, as amended, 12 U.S.C. § 1456(f), Freddie Mac must submit annually to the Committee on Banking, Housing, and Urban Affairs of the Senate, the Committee on Financial Services of the House of Representatives, and U.S. Federal Housing a report on its activities under subpart B of part 2 of subtitle A of the Federal Housing Enterprises Financial Safety and Soundness Act of 1992, as amended, 12 U.S.C. §§ 4561 et seq.

The following constitutes Freddie Mac's 2025 Annual Housing Activities Report to Congress and U.S. Federal Housing under section 307(f) and U.S. Federal Housing regulations at 12 C.F.R. 1282.63.

Loan Purchase Activity

During 2025, Freddie Mac had total portfolio acquisitions of $369 billion, as it ensured access to credit for all market segments. The company securitized approximately $449 billion in single-family and multifamily mortgage loans, and our portfolio increased by $38 billion. The following section describes the loan purchase activity of both our Single-Family and Multifamily business segments over the course of 2025.

Single-Family

Freddie Mac's Single-Family business had a strong year in 2025, providing significant liquidity to the single-family market and supporting homeownership for families across the country. The following pages detail our progress against reporting criteria.

Affordable Housing Goals

In 2025, Freddie Mac purchased over 1 million mortgages for single-family owner-occupied properties and financed over 8,200 low-income rental units in single-family 2- to 4-unit properties. Compliance with the single-family housing goals requires either meeting or exceeding the benchmarks or market share measures. U.S Federal Housing will make a determination about the market level after the release of the data reported under the Home Mortgage Disclosure Act (HMDA) and will then make a determination regarding 2025 Single-Family housing goals performance later in the year.

Exhibit A-1 summarizes our performance for the single-family affordable housing goals, listing each affordable housing goal, the regulatory benchmark, the 2025 market, our 2025 performance against the benchmark, the dollar volume of goal-qualifying mortgages that Freddie Mac purchased in 2025 and the number of goal-qualifying mortgages.

EXHIBIT A-1

Freddie Mac's 2025 Single-Family Affordable Housing Goals Performance

Goal/Subgoal	2025 U.S. Federal Housing Benchmark	2025 Market	2025 Performance	Volume ($Millions)	Owner-Occupied Mortgages Financed
Low-Income Purchase Goal	25%	TBD by U.S. Federal Housing	27.8%	$47,058	210,441
Very Low-Income Purchase Goal	6%	TBD by U.S. Federal Housing	6.3%	$7,547	47,799
Low-Income Areas Purchase Goal	21%	TBD by U.S. Federal Housing	27.8%	$58,263	210,938
Low-Income Census Tracts Subgoal	4%	TBD by U.S. Federal Housing	8.5%	$21,510	64,658
Minority Census Tracts Subgoal	12%	TBD by U.S. Federal Housing	11.7%	$22,721	88,795
Low-Income Refinance Goal	26%	TBD by U.S. Federal Housing	30.2%	$14,230	79,224

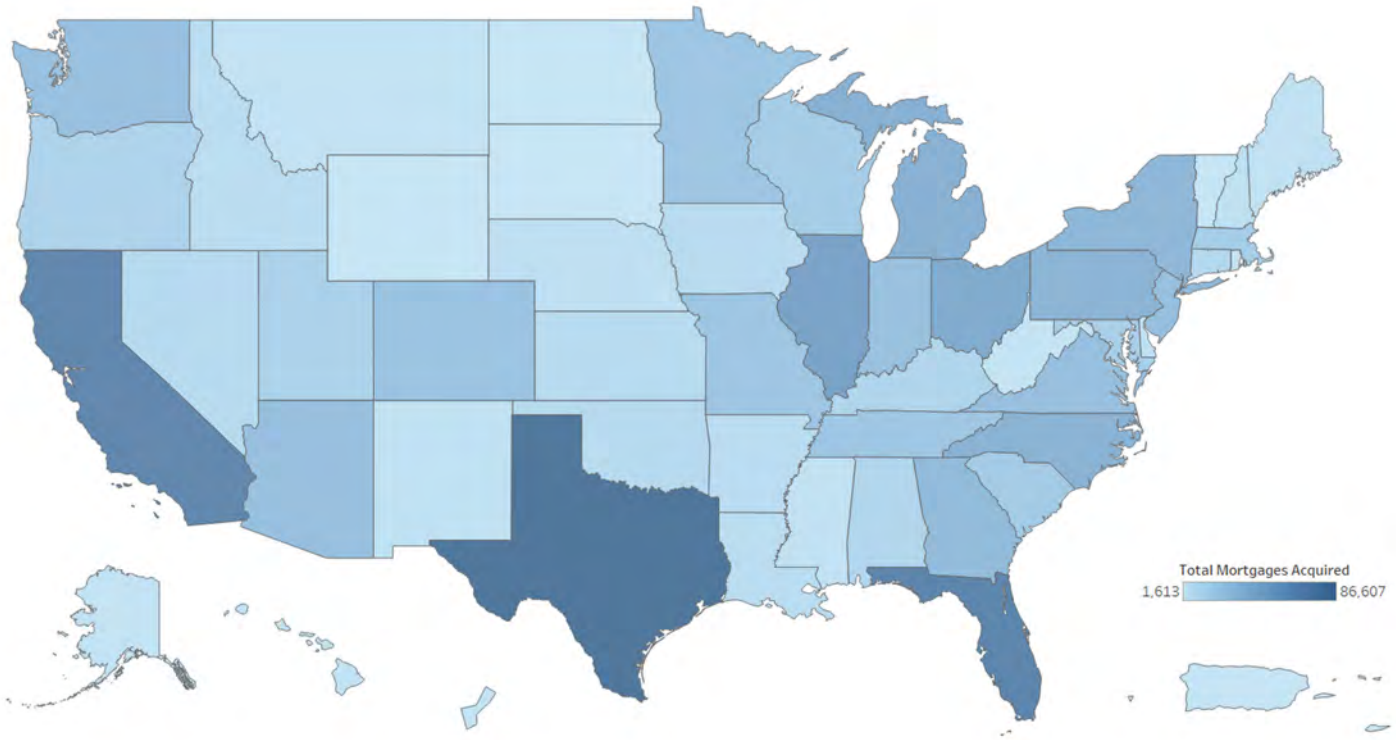
Serving a Broad Range of Families

In 2025, Freddie Mac financed housing for over 1.7 million families, including approximately 1.1 million single-family units and approximately 617,000 multifamily rental units.

The following exhibits, along with the AMR tables referenced below, provide the information required under § 307(f)(2)(B).

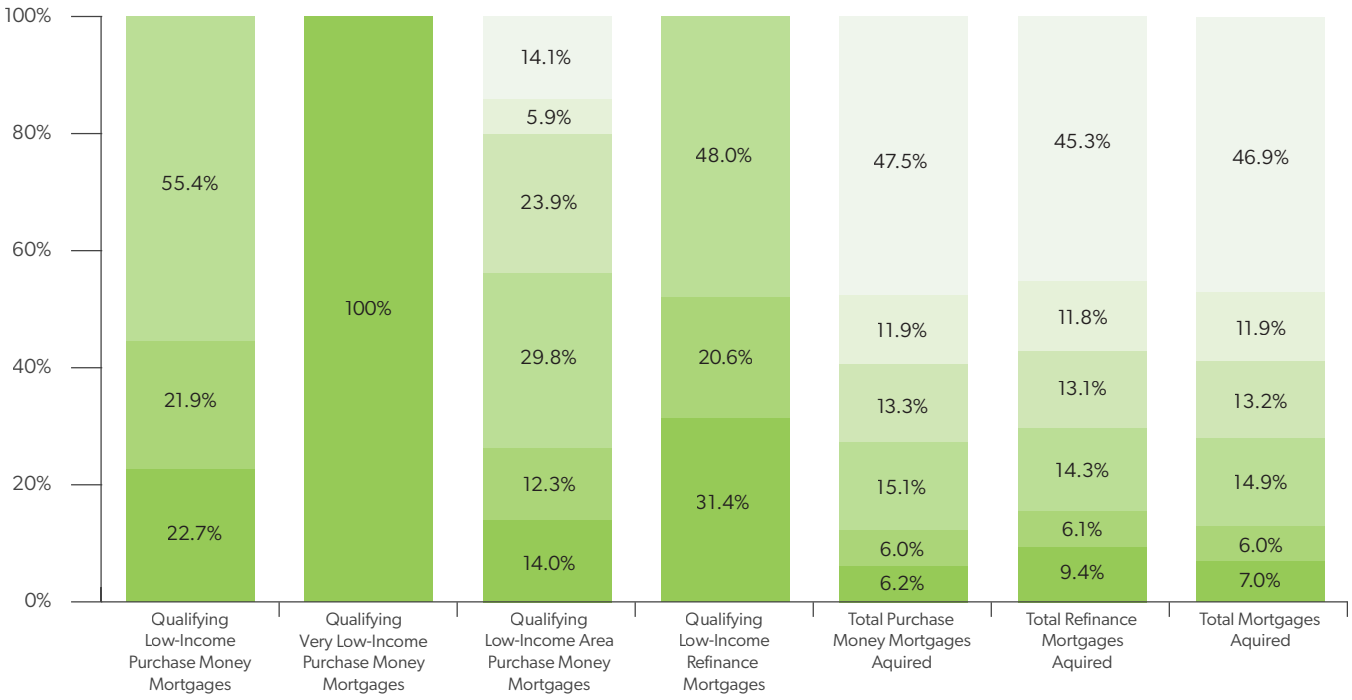
ANNUAL MORTGAGE REPORT (AMR) TABLE 10A

Single-Family Owner-Occupied Mortgage Purchases by State and Territory



AMR TABLE 2

Single-Family Owner-Occupied Mortgage Purchases Income Class of Mortgagor(s)



The income class, race and sex of homebuyers served, the characteristics of census tracts and the geographic distribution of the housing financed are provided in more detail on AMR Tables 2, 3B, 4, 5A, 5B, 6, 7, 9, 10A and 10C.

Serving First-Time Homebuyers and Underserved Families

Freddie Mac had a strong year in serving first-time and underserved homebuyers in 2025. In fact, Freddie Mac purchased over 387,000 mortgages with first-time homebuyers, representing 51% of our owner-occupied purchase transaction mortgages for which information on the borrower's history of ownership is available. These homeownership opportunities for first-time homebuyers were provided through our single-family products, programs and services. For example, Freddie Mac's Home Possible® and HFA Advantage® mortgage offerings are designed to provide affordable financing options for very low-, low- and moderate-income first-time homebuyers. Our HomeOne® mortgage also offers flexibilities and a low down payment solution to support first-time homebuyers.

We launched a new LPA feature that provides feedback messages to help loan officers make quicker, more informed decisions. This enhancement has assisted lenders in qualifying nearly 100,000 additional borrowers, including more than 50,000 first-time homeowner applications. The company did so while prioritizing safety, soundness and long-term risk management.

Freddie Mac continues to engage nonprofit organizations, lenders and housing professionals in educational and outreach initiatives designed to inform and prepare homebuyers and homeowners on how to build and maintain better credit, make sound financial decisions and understand the steps to successful long-term homeownership. These actions complement the outreach and business-related activities in which Freddie Mac is continuously engaged with single-family lenders and state and local housing finance agencies (HFAs). For more information on these and other areas in which Freddie Mac is engaged in support of affordable housing, please see page 27.

PERCENTAGE OF PURCHASE-MONEY MORTGAGES MADE TO FIRST-TIME HOMEBUYERS

72%
Home Possible®

92%
HFA Advantage®

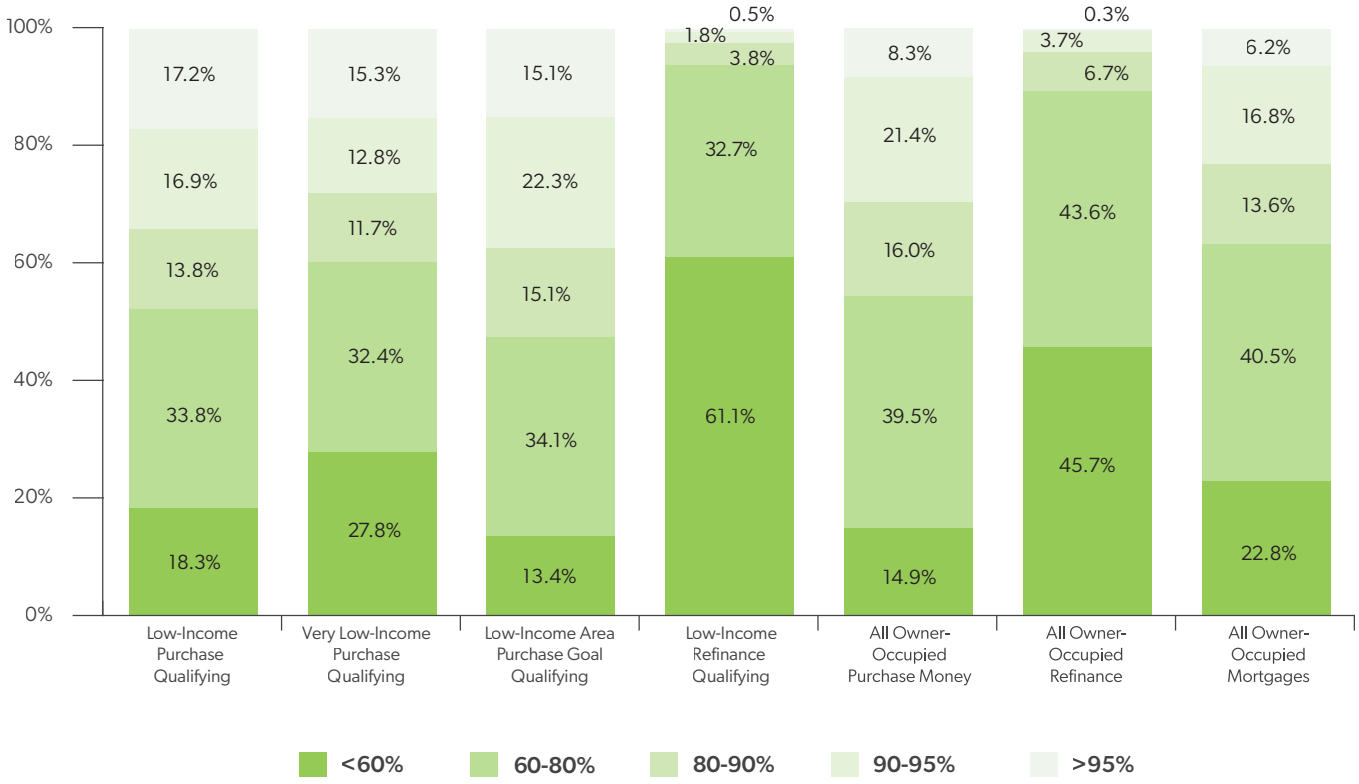
100%
HomeOne®

Serving Families with a Range of Incomes

The below exhibit compares the loan-to-value (LTV) ratio distribution on the goal-qualifying, single-family owner-occupied mortgages acquired by Freddie Mac in 2025 to the LTV ratio distribution on all single-family owner-occupied mortgages acquired by Freddie Mac in 2025, as measured at the time of origination.

EXHIBIT E

Distribution of Freddie Mac Single-Family Owner-Occupied Mortgage Purchases by LTV Ratio



Source: Table 11 of the 2025 AMR

Additional Efforts to Support Homeownership

Freddie Mac regularly evaluates market conditions, the credit environment and mortgage performance. We do this to ensure our underwriting standards, business practices, repurchase requirements, pricing, fees and procedures support our mission to provide liquidity, stability and affordability to the conforming mortgage market, as well as to promote affordable housing, access to credit and fair lending.

In 2025, Freddie Mac continued prudent risk management to mitigate the risks associated with our credit terms, provide mortgage leadership in the marketplace and help lenders make mortgage financing available for homeowners on terms intended to sustain successful homeownership. As part of these efforts, Freddie Mac made credit policy changes to better serve very low-, low- and moderate-income households, including the following initiatives:

Manufactured Housing Mortgage Enhancements

Manufactured housing mortgages expand affordable homeownership opportunities and expand the supply of affordable housing to more borrowers. We enhanced the following features as reflected in the Single-Family Seller/Servicer Guide (Guide).

Single-section manufactured home in a planned unit development (PUD)

We enhanced our policy and removed the reciprocal review requirement to determine project eligibility for mortgages secured by a single-section manufactured home in a PUD. (Guide Section 5703.5)

Temporary subsidy buydowns for manufactured home mortgages

We updated the guide to allow temporary subsidy buydowns for mortgages secured by manufactured homes. Temporary subsidy buydowns provide the borrower with a smoother transition to homeownership by starting with a lower interest rate in the first year that gradually increases over the next two to three years. (Guide Sections 4204.3, 4501.2 and 5703.5)

CHOICEHome®

CHOICEHomes are manufactured homes that exceed the minimum standards required for HUD-coded manufactured homes and have similar appearance to site-built homes. CHOICEHome mortgages help address the housing supply shortage at an affordable price point for borrowers. These homes have enhanced quality and have furthered innovation in the manufactured housing market. We made the following changes including:

- **CHOICEHome label**
  We updated the CHOICEHome requirements to permit either the Fannie Mae MH Advantage® Sticker or the Freddie Mac CHOICEHome label to evidence the property meets the required construction elements. (Guide Section 5703.12)

- **CHOICEHome Eligibility**
  We updated the Guide to allow mortgages to be secured by a single-section CHOICEHomes. The construction elements for single-section CHOICEHome must include:

    - A covered porch (minimum 72 sq. ft.), and

    - An attached carport/garage (space to accommodate one or two cars) built with materials and finishes equivalent to the primary structure. (Guide Sections 5703.12 and 6302.25)

- **Mortgages secured by a manufactured home containing an accessory dwelling unit (ADU)**
  We revised the Guide to clarify and expand requirements for mortgages secured by a manufactured home containing an ADU. Specifically, for mortgages secured by a manufactured home, including CHOICEHomes, the property may contain an ADU provided the primary dwelling is a multi-section manufactured home.

  Additionally, we expanded our requirements for properties containing a manufactured home ADU to now allow the primary dwelling to be a multi-section manufactured home, including a CHOICEHome. (Guide Sections 5601.2 and 5703.2)

Resale Restricted Enhancements – Community Land Trusts & Resale Restricted Properties

Mortgages secured by properties with resale restrictions can provide permanently affordable homeownership opportunities for households with very low-, low- and moderate-incomes through a shared equity model. These are typically established and managed by nonprofits, or by state or local governments, and help improve communities through investment, empowerment and lasting affordability. Enhanced features included:

- **Community land trust mortgages (negotiated underwriting provision)**
  We have removed the restriction on using negotiated underwriting provisions with community land trust mortgages to provide better operational efficiency for lenders. (Guide Section 4502.1)

- **Community land trust (ground lease rider flexibility)**
  We have updated our requirements for community land trust mortgages to provide greater flexibility for lenders and reduce operational complexity. Lenders may now use Fannie Mae's Community Land Trust Ground Lease Rider (Fannie Mae Form 2100) as an acceptable alternative to Guide Form 490, Community Land Trust Ground Lease Rider, to satisfy Freddie Mac ground lease rider requirements. (Guide Section 4502.7)

- **Resale restrictions**
  We added specificity and updated Guide requirements to determine the value used for certain mortgages secured by properties subject to resale restrictions.

For mortgages secured by properties subject to resale restrictions that terminate upon foreclosure or recordation of a deed-in-lieu of foreclosure, the value used to determine the loan-to-value (LTV)/total LTV (TLTV)/Home Equity Line of Credit (HELOC) TLTV (HTLTV) ratio will be as follows:

Resale restrictions terminate upon foreclosure (or expiration of any applicable legally required foreclosure redemption period) or recordation of a deed-in-lieu of foreclosure

Transaction type	Value	
	Resale restrictions that are income-based	Resale restrictions that are not income-based
Purchase	Appraised value[1]	Lesser of: Appraised value[1], or Purchase price
Refinance	Appraised value[1]	Appraised value[1]

1 The appraisal report must reflect the market value of the property without resale restrictions in accordance with Section 4406.4. Guide Sections 4203.1 and 4406.5

Other Support for Homeownership

We have enhanced other features of the Guide to support affordability and stability in homeownership in these areas:

- **Rent payment history enhancements (negotiated underwriting provision)**
  Previously, our automated underwriting system, LPA, required an asset verification report to include a rent payment history in the credit assessment. In 2025, we expanded this offering to allow an alternative path for LPA to include a borrower's positive rent history in the credit assessment. Approved lenders can now indicate when a borrower's rent payment history has been or can be documented. For certain mortgages, the borrower's rent payment history may positively impact the LPA credit assessment by upgrading the mortgage's risk class. When successful, a message indicating the borrower's positive rent payment history was included in the credit assessment. (Guide Section 5201.1)

- **LTV ratios for certain mortgages secured by 2- to 4-unit properties**
  To provide greater affordability, we have increased the maximum LTV, TLTV and HTLTV ratios to 95% for LPA "Accept" mortgages that are purchase or "no cash-out" refinance transactions secured by a 2- to 4-unit primary residence. (Guide Section 4203.1)

Trends in Delinquency and Default Rates for Low- and Moderate-Income Families

Two measures contrast the delinquency and default performance of mortgages serving low- and moderate-income (LMI) borrowers to the performance of mortgages serving borrowers with incomes above the area median income (non-LMI). In Exhibit I, the chart compares Early 90-day delinquencies (occurring within the first 12 months of acquisition) and defaults. Our Single-Family serious delinquency (SDQ) rate was 59 basis points (bps) as of December 31, 2025, unchanged from 2024.

EXHIBIT I:

Relative Early 90-Day Delinquency and Default Rates between Single-Family Loans Serving Low- and Moderate-Income Families and Loans Serving Families with Income above the Median Level, by Year

Acquisition Year	Income Group	Average Rate of 90-day Delinquency	Percent Difference	Average Rate of Default	Percent Difference
2015	Above Median Income	0.05%		0.37%	
	Low-Mod Income	0.11%	103%	0.83%	123%
2016	Above Median Income	0.08%		0.37%	
	Low-Mod Income	0.14%	78%	0.85%	132%
2017	Above Median Income	0.36%		0.39%	
	Low-Mod Income	0.38%	8%	0.92%	137%
2018	Above Median Income	0.14%		0.36%	
	Low-Mod Income	0.26%	89%	0.91%	152%
2019	Above Median Income	1.90%		0.22%	
	Low-Mod Income	2.07%	9%	0.64%	189%
2020	Above Median Income	0.97%		0.11%	
	Low-Mod Income	1.29%	33%	0.35%	210%
2021	Above Median Income	0.31%		0.19%	
	Low-Mod Income	0.45%	45%	0.45%	134%
2022	Above Median Income	0.50%		0.43%	
	Low-Mod Income	0.73%	46%	0.83%	92%
2023	Above Median Income	0.41%		0.30%	
	Low-Mod Income	0.74%	79%	0.68%	126%
2024	Above Median Income	0.39%		0.10%	
	Low-Mod Income	0.70%	80%	0.28%	172%

Source: Internal Freddie Mac delinquency data.

Multifamily

Freddie Mac Multifamily saw significant gains throughout the year while maintaining its focus on affordability and strengthening its position as an industry leader.

Affordable Housing Goals

In 2025, Freddie Mac Multifamily met all of the U.S. Federal Housing goals and subgoal benchmarks. U.S. Federal Housing will make a final determination regarding our 2025 multifamily housing goals performance later in the year.

Exhibit A-2 summarizes our performance for the multifamily affordable housing goals, listing for each multifamily goal and subgoal the 2025 U.S. Federal Housing benchmark, our 2025 performance against the benchmark and the dollar volume of goal-qualifying units that Freddie Mac financed in 2025.

The number of mortgages on rental properties purchased which relate to each of the annual housing goals is provided in more detail on AMR Table 1B.

EXHIBIT A-2

Freddie Mac's 2025 Multifamily Affordable Housing Goals Performance

Goal/Subgoal	2025 Benchmark (Percentage)	2025 Performance (Percentage)	Volume 2025 ($Millions)
Low-Income Goal	61%	69.7%	$41,236
Very Low-Income Subgoal	14%	16.7%	$8,454
Low-Income Subgoal (5-50 Unit Properties)	2.0%	3.2%	$1,709

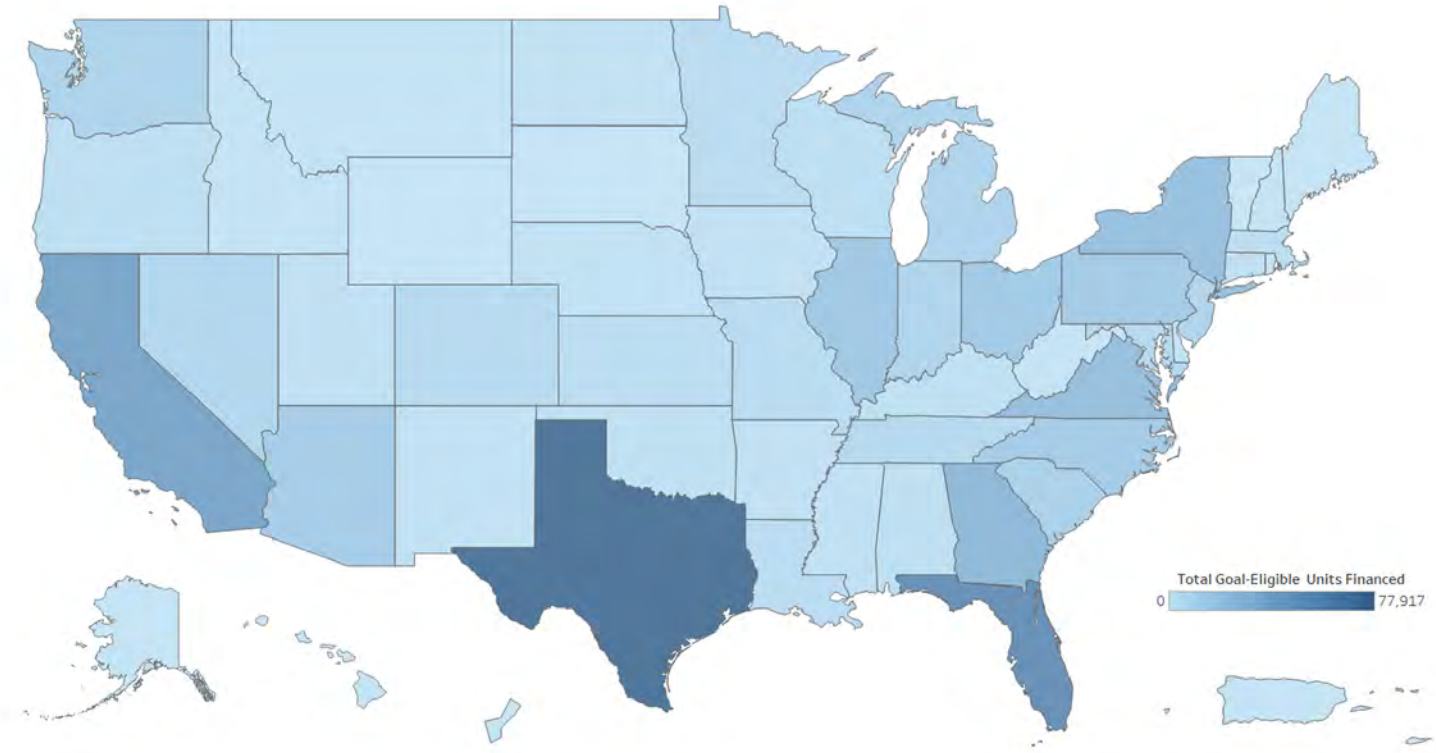
Serving a Broad Range of Renters

In 2025, Freddie Mac Multifamily financed approximately 617,000 rental units over 3,800 mortgages secured by multifamily properties.

The following exhibits, along with the AMR tables referenced below, provide the information required under § 307(f)(2)(B).

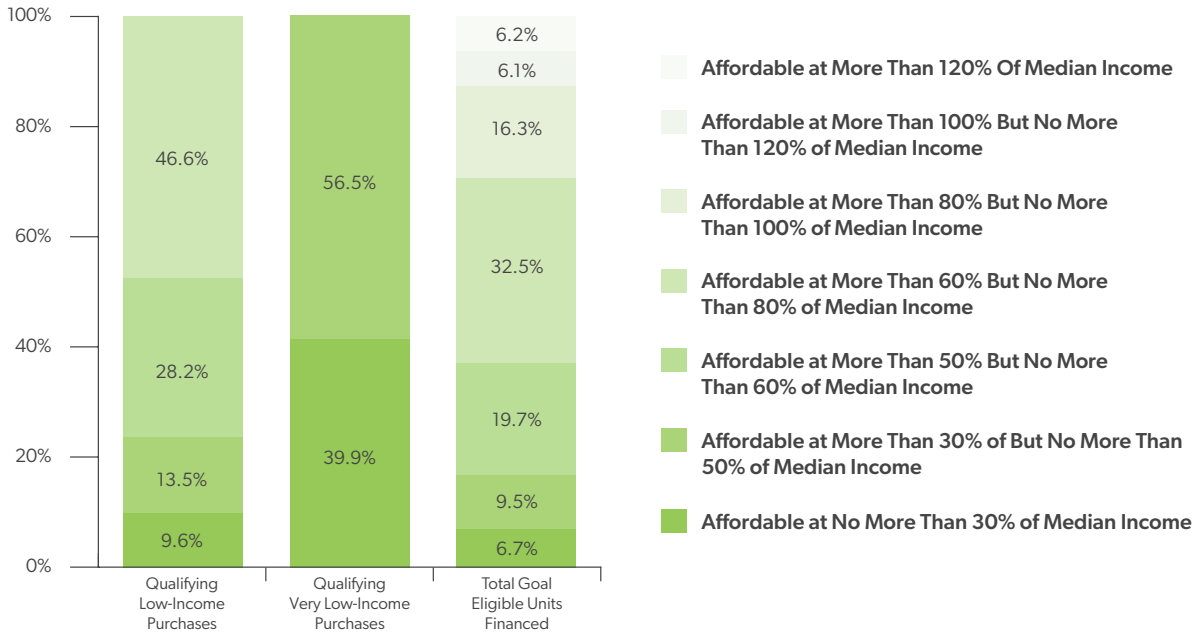
AMR TABLE 10B

Multifamily Owner-Occupied Mortgage Purchases by State and Territory



AMR TABLE 3A

Distribution of Rental Units Financed by Multifamily Mortgages by Affordability of Rent



Additionally, Freddie Mac Multifamily provided financing for approximately 950 multifamily cooperative units.

The income class, race and sex of homebuyers served, the characteristics of census tracts, and the geographic distribution of the housing financed are provided in more detail on AMR Tables 3A, 8A, 8B and 10B.

Supporting the Affordable Housing Rental Market

Our Multifamily business provides liquidity and support to the multifamily mortgage market through a variety of activities that include the purchase, securitization, and guarantee of multifamily loans originated by our Optigo® network of approved lenders. Our support of the multifamily mortgage market occurs through all economic cycles and is especially important during periods of economic stress. During these periods, we serve a critical countercyclical role by providing liquidity when many other capital providers reduce their support of or otherwise exit the market. Through our business activities we support greater access to quality, affordable and sustainable rental housing, particularly in underserved markets.

National Trends in the Primary and Secondary Multifamily Mortgage Markets

Effective rent growth (i.e., the average rent paid by the renter over the term of the lease, adjusted for concessions by the landlord and costs borne by the renter) was flat in 2025 at the national level (source: Moody's CRE f.k.a. Reis).

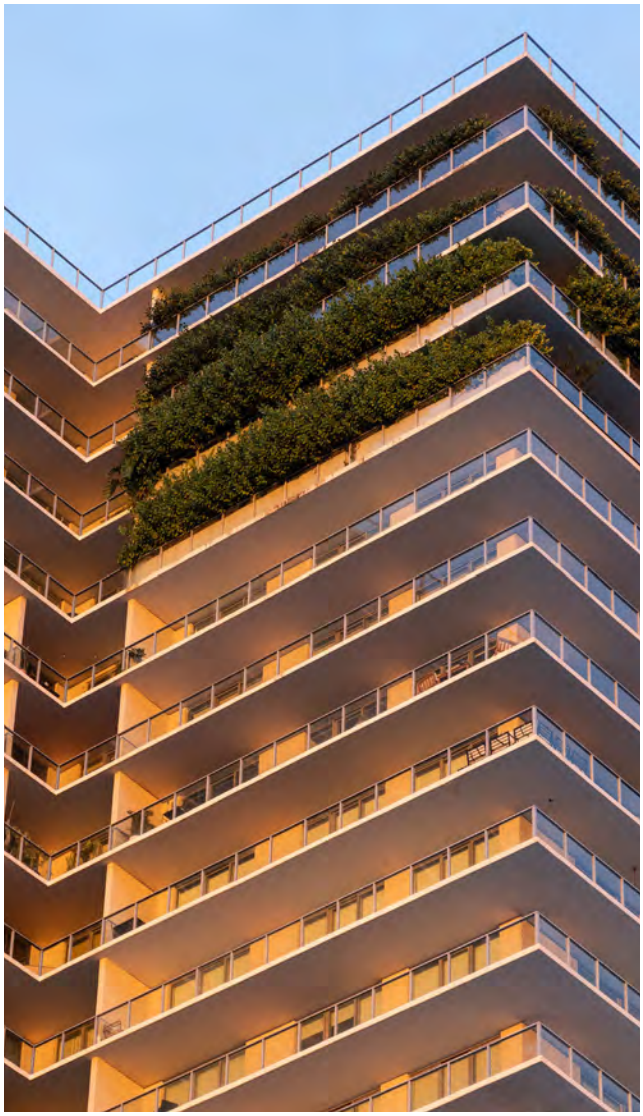
According to Moody's, demand for rental housing was strong in 2025, but was exceeded by new rental supply.

Demand for rental units started the year strong due to a strong overall economy, a robust labor market and an unaffordable for-sale housing market. In the second half of the year, demand and Multifamily fundamentals slowed.

Throughout 2025, the vacancy rate increased by 30 bps, ending 2025 at 6.7% – 130 bps above the long-term average (between 2000 and 2024) of 5.4%.

Multifamily property prices declined 1.3% during the year, as reported by Real Capital Analytics, and are down nearly 20% from the peak in mid-2022. The decline in property prices during the year was a result of continued price correction albeit moderating from the prior few years.

Freddie Mac's multifamily delinquency rate was 44 bps at December 31, 2025, up from 40 bps at December 31, 2024.



Our new business activity was $76.4 billion in 2025, up 17% compared to 2024, primarily driven by a larger multifamily originations market, coupled with the execution of our competitive strategies.

Freddie Mac Multifamily Financing and Initiatives

Our Optigo network allows lenders to offer borrowers a variety of loan products for the acquisition, refinance and/or rehabilitation of multifamily properties. While our Optigo lenders originate the loans that we purchase, we generally use a prior approval underwriting approach. Under this approach, we maintain credit discipline by completing our own underwriting, credit review and legal review for a loan prior to issuing a loan purchase commitment, including reviewing third-party appraisals, performing cash flow analysis and evaluating a borrower's ability to exit at maturity.

Our multifamily loan products are designed to support the purchase and/or rehabilitation of apartment properties, including market-rate, affordable housing, seniors housing, student housing and cooperative properties. We offer fixed-rate or floating-rate financing and provide financing for both large properties and small properties (i.e., 5 to 50 units). We provide financing for properties located in underserved areas that have rent-restricted units affordable to households with low income (earning 80% or less of AMI) and/or very low income (earning 50% or less of AMI) and/or that typically receive government subsidies.

The volume and type of multifamily loans that we purchase are influenced by the Multifamily loan purchase cap and the Multifamily Affordable Housing goals established by U.S. Federal Housing.

Our new business activity was $76.4 billion in 2025, up 17% compared to 2024, primarily driven by a larger multifamily originations market, coupled with the execution of our competitive strategies. Approximately 66% of this activity in 2025, based on unpaid principal balance (UPB), was mission-driven, affordable housing, exceeding U.S. Federal Housing's minimum requirement of 50%. In 2025, approximately $3.4 billion of our $76.4 billion new business activity was not subject to the $73 billion loan purchase cap.

Our outstanding index lock agreements and commitments to purchase or guarantee multifamily assets were $17.9 billion and $15.7 billion as of December 31, 2025, and December 31, 2024, respectively.

Standardization and Securitization

Our primary business model is to acquire loans that lenders originate and then securitize those loans into mortgage-related securities that transfer interest rate and liquidity risk to investors and can be sold in the capital markets. We offer two main types of securitization products: Multi PC®, which are fully guaranteed securities where we retain the credit risk of the underlying mortgage loans; and K Certificates®, which could either be fully guaranteed or senior subordinate securitizations. In exchange for our guarantees of the issued mortgage-related securities, we receive guarantee fees. We also continue to issue securitization products focused on addressing affordable housing challenges.

Historically, senior subordinate securitization transactions were our primary securitization structure, but we have recently changed our business strategy to focus primarily on issuing fully guaranteed securitizations. During 2025, we issued $48 billion of fully guaranteed securitizations and $18.8 billion of senior subordinate securitizations.

For fully guaranteed securitizations in 2025, we primarily obtained credit enhancement coverage through our Multifamily Credit Insurance Pool® (MCIP®) Transactions and Multifamily Structured Credit Risk® (MSCR®) Notes. We typically retain more credit risk in a MCIP Transaction or MSCR Note compared to a senior subordinate securitization transaction.

Ensuring Access to Credit for All Market Segments

During 2025, Freddie Mac securitized approximately $449 billion in single-family and multifamily mortgage loans. We had total portfolio acquisitions of $369 billion. In 2025, Freddie Mac's portfolio increased by $38 billion.

Housing Engagement

Freddie Mac engages with government agencies, for-profit and nonprofit organizations, housing finance agencies and other entities to help make housing more affordable and available across the nation. It also works with these groups to provide financial capability and homeownership education. The section below describes the activities and entities involved in these areas for 2025.

Leveraging Investments Made by Other Federal Housing Programs

In 2025, Freddie Mac purchased or guaranteed over $27 million in single-family mortgages (financing approximately 130 mortgages) and approximately $24 billion in multifamily mortgages (financing approximately 187,000 units) for which the mortgages were used in conjunction with various federal public subsidy programs, including the following:

- The Federal Housing Administration (FHA) program
- The Department of Veterans Affairs (VA) program
- The U.S. Department of Agriculture's (USDA) Guaranteed Rural Housing program
- Mortgage Revenue Bonds (MRBs) issued by various state and local housing finance agencies (HFAs)
- Low-Income Housing Tax Credits (LIHTC)
- HUD's Section 8 and Rental Assistance Demonstration (RAD) programs

Freddie Mac Multifamily securitizes pools of multifamily mortgage revenue bonds under its Tax-Exempt Bond Securitization (TEBS) execution and credit enhances tax-exempt multifamily mortgage revenue bonds through its bond credit enhancement program.

These multifamily transactions totaled $0.9 billion in 2025, financing approximately 6,600 units. Freddie Mac also purchases tax-exempt loans (TELs) from Housing Finance Agencies (HFAs). In 2025, these TEL multifamily transactions totaled roughly $2 billion, financing approximately 18,000 units.

Freddie Mac's Broad Lender Network

Freddie Mac purchases mortgages from a network of 1,576 Single-Family lenders, delivering benefits to borrowers across the U.S. and its territories. Some of these firms sell mortgages to Freddie Mac on a regular basis, while others sell to Freddie Mac only occasionally. In 2025, 1,050 lenders sold $389 billion in mortgages to Freddie Mac, sustaining market coverage above 50% for 17 consecutive months.

Freddie Mac's account support model continues to evolve, driving consistent, proven strategies across our lender base to advance Freddie Mac priorities. In 2025, we expanded our lender network and strengthened cash coverage, all while delivering on risk, affordability and profitability goals.

Freddie Mac approved 58 new lenders in 2025, adding to the more than 200 new lenders that have been onboarded through a new business development initiative launched in 2023. By providing best-in-class onboarding, 75% of new lenders are actively delivering to Freddie Mac.

In the Multifamily business, Freddie Mac purchases mortgages from a network of 56 active lenders. During 2025, of the total active multifamily lender network, 26 lenders sold the large majority of multifamily mortgages to after Freddie Mac, and six lenders participated in one-time structured transactions. The remaining 24 active multifamily lenders participated in one-time structured transactions or sold mortgages pursuant to the Single-Family Rental Pilot Program (such pilot program has concluded as directed by U.S. Federal Housing) in previous years.

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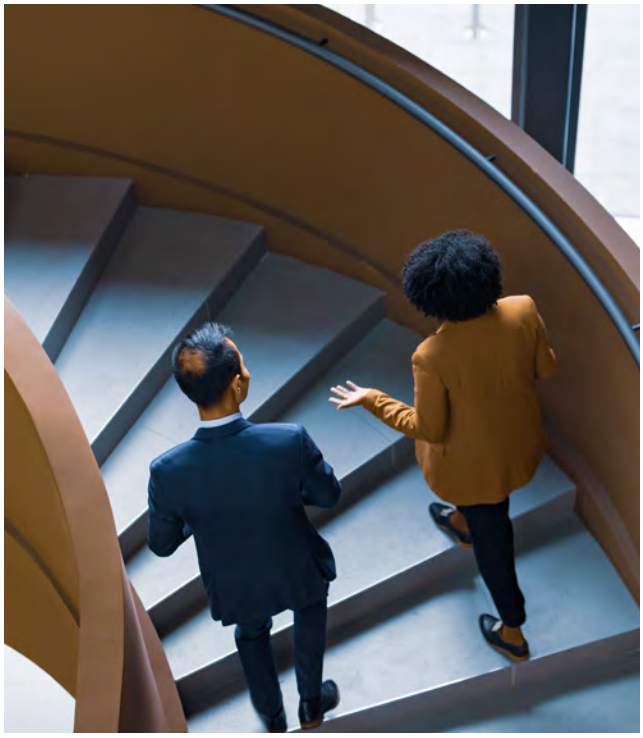


Freddie Mac's Activities with Nonprofit and For-Profit Organizations and with State and Local Governments and Housing Finance Agencies

Freddie Mac engages in numerous activities in coordination with state and local governments, housing finance agencies (HFAs), mortgage lenders and a wide variety of nonprofit and for-profit organizations to support the affordable housing needs of communities across the nation. The following sections describe some of the activities Freddie Mac executed in 2025 that contribute to the objectives of the Cranston-Gonzalez National Affordable Housing Act, including helping families achieve homeownership and working with nonprofit and for-profit organizations in the production of housing affordable to low- and moderate-income families.

HFA Activities

HFAs play an important role in providing programs and financing that create housing opportunities for low- and moderate-income borrowers throughout the country. The following describes some of the ways in which Freddie Mac worked with HFAs in 2025.

Providing Consistent Liquidity: Our HFA Advantage® mortgage product was specifically created to provide liquidity for state and local HFA affordable mortgage financing programs. HFA Advantage permits a 97% LTV and 105% maximum total LTV ratio, enables HFAs to apply customized borrower income limits and allows them to use preferred homebuyer education programs. In 2025, 92% of HFA Advantage® mortgages were made to first-time homebuyers, and 74% of the HFA loans delivered to Freddie Mac qualified for at least one single-family affordable housing goal. Freddie Mac funded loans in 2025 from state and local HFAs in 36 states and the District of Columbia.

Outreach and Training: In 2025, approximately 4,700 housing industry professionals, including key personnel from HFA-approved participating lenders and real estate professionals participated in 58 Freddie Mac hosted HFA Advantage training sessions nationwide. These educational sessions provided operational and technological support, consultation on Freddie Mac loan products and program design and discussion of housing market trends.

In 2025, Freddie Mac expanded the coverage of DPA One®, an industry-standard database and user interface, to capture, retain and provide information for affordable down payment assistance (DPA) programs nationwide. DPA One is available in all 50 U.S. states and the District of Columbia and serves over 12,000 registered users, including over 10,500 registered loan officers. More than 1,000 DPA programs are active on the platform. DPA One is intended to provide broader access to DPA programs by reducing production costs and potential errors related to originating, documenting and delivering loans. It also helps improve the lender and borrower experience and increase borrowers' understanding of their second loan obligations.

Other Initiatives with Nonprofits

Freddie Mac continues to engage nonprofit organizations, lenders and housing professionals in education and outreach initiatives designed to inform and prepare renters, homebuyers and homeowners on how to build and maintain better credit, make sound financial decisions and understand the steps to sustainable homeownership.

The educational tools used to support these initiatives include the Freddie Mac CreditSmart® suite of educational resources designed to empower consumers with the skills and knowledge needed throughout every stage of their financial capability and homeownership journey.

The suite includes:

- **CreditSmart Homebuyer U**, a comprehensive homeownership education course to help guide first-time homebuyers. Completion of Homebuyer U satisfies the homebuyer education requirement for our low down payment mortgage offerings. Approximately 120,445 potential homebuyers completed CreditSmart Homebuyer U in 2025.
- **CreditSmart Essentials**, a financial capability curriculum for consumers. In 2025, approximately 6,643 users participated in CreditSmart Essentials.

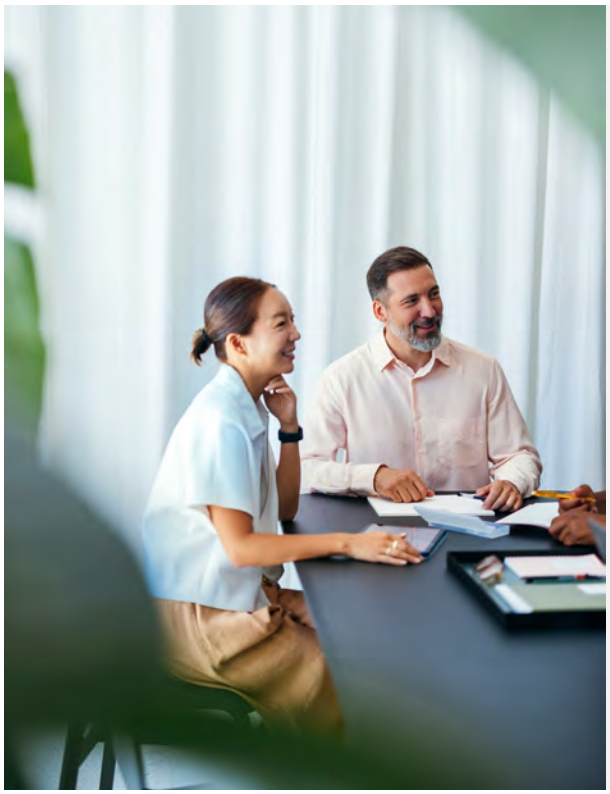
Regional and Local Initiatives

Freddie Mac also undertakes numerous outreach initiatives in support of affordable and sustainable homeownership. These initiatives are designed to expand homeownership opportunities in communities across the country and include financial capability, homebuyer education and counseling, wealth building and estate planning and heirs' property rights. These initiatives also provide access to bilingual homeownership information and counseling, and outreach to military service members and to individuals and families with disabilities. We have continued participating in local, regional and national industry events virtually, but have also resumed presenting our tools and resources in face-to-face settings.

Affordable Housing Advisory Council (AHAC)

In 2025, Freddie Mac refreshed its AHAC membership, which is comprised of 39 members, with representation from across the housing industry, including, but not limited to, advocacy groups, housing finance agencies, trade associations, U.S. Federal Housing, nonprofit organizations, mortgage originators, Servicers, think tanks, investors and community development financial institutions (CDFIs). Convening at least once a year, this council is a forum to discuss with and seek feedback from industry stakeholders on the topic of affordable housing.

The group held one meeting in 2025, discussing a broad range of affordable housing topics, including affordability and access to credit, affordable housing supply challenges and opportunities, member best practices, our Duty to Serve commitments and investor insights on affordable housing products.



Assessing Impact on Borrowers

The Annual Assessment

As part of this report, the company must provide an annual assessment of its "underwriting standards, business practices, repurchase requirements, pricing, fees, and procedures, that affect the purchase of mortgages for low- and moderate-income families, or that may yield disparate results based on the race of the borrower, including revisions thereto to promote affordable housing or fair lending."

12 U.S.C. 1456(f)(2)(G). Additional information about mortgages for low- and moderate-income families may be found above in Exhibit A-1.

Freddie Mac's Fair Lending Program

The principal federal fair lending laws applicable to Freddie Mac are the Fair Housing Act, the Equal Credit Opportunity Act and the Federal Housing Enterprises Financial Safety and Soundness Act of 1992, as amended, and their implementing regulations. Freddie Mac maintains its enterprise-wide commitment to fair lending. The company's fair lending program is consistent with the law as it effectively identifies, assesses, monitors and mitigates fair lending risk, prevents the occurrence of fair lending violations and remediates fair lending issues.

Underwriting Standards and Business Practices

Freddie Mac updated its automated underwriting system, Loan Product Advisor® (LPA®), to improve its effectiveness. The company employs sophisticated fair lending methodologies to ensure that similarly situated borrowers are treated the same, consistent with federal law. Additional information about mortgages for low- and moderate-income families may be found above in Exhibit A-1.

Repurchase Requirements

Freddie Mac promotes fair lending compliance among its business counterparties by requiring Seller/Servicers to comply with all applicable federal, state and local laws, including the Fair Housing Act and the Equal Credit Opportunity Act, as further described in the Seller/Servicer Guides. Freddie Mac monitors its business counterparties for fair lending compliance and has the right to issue a repurchase request to any lender that fails to comply with applicable laws.

Pricing/Fees

The company employs a pricing framework that was developed by U.S. Federal Housing in partnership with the Enterprises. This pricing framework eliminates upfront fees for certain first-time homebuyers, low-income borrowers and mission-related loan programs. The company conducted a review of mortgage pricing and fees to identify fair lending risk.

Procedures

The company maintains a Fair Lending Standard that sets forth requirements and specific procedures for compliance with fair lending laws. In addition, particular divisions have fair lending standards and procedures that address their fair lending risks.

Statutory Requirements Index

Federal Home Loan Mortgage Corporation Act Requirement	Citation	Page Number	Location of Discussion in AHAR
Include, in aggregate form and by appropriate category, statements of the dollar volume and number of mortgages on owner-occupied and rental properties purchased which relate to each of the annual housing goals established under such subpart	12 U.S.C. § 1456(f)(2)(A)	8-9 18-19	**Single Family:** "Affordable Housing Goals" "Serving a Broad Range of Families" **Multifamily:** "Affordable Housing Goals" "Serving a Broad Range of Families"
Include, in aggregate form and by appropriate category, statements of the number of families served by the Corporation, the income class, race, and gender of homebuyers served, the income class of tenants of rental housing (to the extent such information is available), the characteristics of the census tracts, and the geographic distribution of the housing financed	12 U.S.C. § 1456(f)(2)(B)	9-10 19-20	**Single Family:** "Serving a Broad Range of Families" **Multifamily:** "Serving a Broad Range of Renters"
Include a statement of the extent to which the mortgages purchased by the Corporation have been used in conjunction with public subsidy programs under Federal law	12 U.S.C. § 1456(f)(2)(C)	25	"Leveraging Investments Made by Other Federal Housing Programs"
Include statements of the proportion of mortgages on housing consisting of 1 to 4 dwelling units purchased by the Corporation that have been made to first-time homebuyers, as soon as providing such data is practicable, and identifying any special programs (or revisions to conventional practices) facilitating homeownership opportunities for first-time homebuyers	12 U.S.C. § 1456(f)(2)(D)	11	"Serving First-Time Homebuyers and Underserved Families"
Include, in aggregate form and by appropriate category, the data provided to the Director of the US Federal Housing under 12 U.S.C. § 1456(e)(1)(B) [loan-to-value ratios of purchased mortgages at the time of origination]	12 U.S.C. § 1456(f)(2)(E)	12	"Serving Families with a Range of Incomes"

Federal Home Loan Mortgage Corporation Act Requirement	Citation	Page Number	Location of Discussion in AHAR
Compare the level of securitization versus portfolio activity	12 U.S.C. § 1456(f)(2)(F)	24	"Ensuring Access to Credit for all Market Segments"
Assess underwriting standards, business practices, repurchase requirements, pricing, fees, and procedures, that affect the purchase of mortgages for low- and moderate-income families, or that may yield disparate results based on the race of the borrower, including revisions thereto to promote affordable housing or fair lending	12 U.S.C. § 1456(f)(2)(G)	13-16 29-30	"Additional Efforts to Support Homeownership" "Assessing Impact on Borrowers"
Describe trends in both the primary and secondary multifamily housing mortgage markets, including a description of the progress made, and any factors impeding progress, toward standardization and securitization of mortgage products for multifamily housing	12 U.S.C. § 1456(f)(2)(H)	21-23	"Supporting the Affordable Housing Rental Market"
Describe trends in the delinquency and default rates of mortgages secured by housing for low- and moderate-income families that have been purchased by the Corporation, including a comparison of such trends with delinquency and default information for mortgage products serving households with incomes above the median level that have been purchased by the Corporation, and evaluate the impact of such trends on the standards and levels of risk of mortgage products serving low- and moderate-income families	12 U.S.C. § 1456(f)(2)(I)	17	"Trends in Delinquency and Default Rates for Low- and Moderate-Income Families"
Describe in the aggregate the seller and servicer network of the Corporation, including the volume of mortgages purchased from minority-owned, women-owned, and community-oriented lenders, and any efforts to facilitate relationships with such lenders	12 U.S.C. § 1456(f)(2)(J)	26	"Freddie Mac's Broad Lender Network"
Describe the activities undertaken by the Corporation with nonprofit and for-profit organizations and with State and local governments and housing finance agencies, including how the Corporation's activities support the objectives of comprehensive housing affordability strategies under section 12705 of title 42	12 U.S.C. § 1456(f)(2)(K)	27-28	"Freddie Mac's Activities with Nonprofit and For-Profit Organizations and with State and Local Housing Finance Agencies"