

Exhibit E:  
**Annual Loan Purchase Narrative Reporting Template**

FREDDIE MAC  
 AFFORDABLE HOUSING PRESERVATION  
 2022  
 PURCHASE

**ACTIVITY:**

1 – Low-Income Housing Tax Credits (Debt): Statutory Activity

**OBJECTIVE:**

A - Provide Liquidity and Stability Through LIHTC Loan Purchases

**INFEASIBILITY:**

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

*If applicable, provide a concise summary of the underserved market conditions or other extenuating circumstances outside of the Enterprise’s control that substantially interfered with accomplishment of the objective.*

**SUMMARY OF RESULTS:**

*Provide a concise summary of the actions undertaken under this objective.*

*Include in the summary a list of any actions or deliverables specified in the objective that were not completed, or actions or deliverables that deviated from the Plan.*

Freddie Mac’s 2022 LIHTC loan purchases supported the creation of new affordable housing properties across the nation and preserved a substantial number of older affordable housing properties. In 2022, we ramped up our purchases and increased the share of those units that qualified under Duty to Serve criteria. Our 2022 loan purchases supported a record 58,880 units at 444 properties, which represents a 7% increase from our baseline number of units, a 15% increase over our baseline number of properties, and a 9% increase over our target number of units. We achieved this success as a result of a diligent focus on our objective in the face of a shrinking multifamily origination market, a rising interest rate environment and significant capital markets volatility.

Affordable housing supported by LIHTC and LIHTC rent restrictions are a critical resource for low- and moderate-income renters, and our LIHTC purchases provided stability and liquidity to the market. Through the volume of loans we purchased, the breadth and distribution of properties we supported, and the unique ability of our business model to attract private capital and distribute risk, we had a substantial impact on the LIHTC debt market in 2022. Freddie Mac leverages its robust securitization platform to transfer risk away from Freddie Mac and ultimately taxpayers. Approximately 58% of the loans on LIHTC properties that we purchased in 2022 have already or will soon be securitized.

Freddie Mac also continued its work to support public housing agencies’ efforts to leverage public and private debt and equity to reinvest in public housing stock through HUD’s Rental Assistance Demonstration (RAD) program. In total, Freddie Mac provided financing for 21 RAD properties, including 18 supported by LIHTC.

<i>Objective’s components detailed in the Plan</i>	<i>Corresponding actions or deliverables</i>	<i>Any deviations from the Plan (if applicable)</i>
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54,000 LIHTC Units	58,880 LIHTC Units	N/A
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**SELF-ASSESSMENT RATING OF PROGRESS:**

*Select the category that best describes progress on this objective for the year.*

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

**IMPACT:**

*Provide a self-assessment of the level of impact that actions under the objective have accomplished.*

- 50 – Very Large Impact
- 40
- 30 – Meaningful Impact
- 20
- 10 – Minimal Impact
- 0 – No Impact

**IMPACT EXPLANATION:**

*Answer the following questions.*

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

Freddie Mac’s purchase activity in 2022 helped keep older LIHTC properties active in the affordable housing stock. We also supported new supply through forward commitments for LIHTC properties. Of the LIHTC loans funded in 2022, more than 18.7% of the backed properties were constructed prior to 1980 and roughly 25.7% were built between 1980 and 2000. Approximately 26.8% of LIHTC loans purchased in 2022 were the result of forward commitment conversions, where Freddie Mac had an agreement in place to provide permanent financing upon the completion of construction or substantial rehabilitation of the property.

Our lending to this market also supports housing preservation. When providing financing on older properties, our required engineering reports and inspection process identifies critical repairs which must fixed, as well as more minor repairs that need to be progress tracked.

Freddie Mac’s LIHTC property support in 2022 had a wide geographic reach and a property-type diversity with properties spread throughout 39 states plus Washington D.C., Puerto Rico, and Guam. Property locations ranged from San Francisco, CA to Austin, TX, and in large cities like New York, NY and as small towns like Tupper Lake, NY. Properties varied in size from a 29-unit property with all LIHTC units in Sherwood, OR to a 949-unit development with all LIHTC units in New York City.

The following two examples demonstrate our support of high impact properties:

Brittany Bay Apartments in Naples, FL is a 184-unit low-income apartment community that leveraged LIHTC funding for acquisition and rehabilitation. All units are limited to renters with an income equal to 60% of Area Median Income (AMI) or less and nearly 30% of units are restricted to renters with an income equal to 50% of AMI or less.

Brighton Oaks Apartments in New Brighton, MN is a 154-unit mid-rise affordable apartment complex. The brand-new property, developed in 2021, uses the 4% LIHTC credit and will restricts 100% of units to renters with an income at 60% of AMI for 30 years.

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

LIHTC helps create the vast majority of income-restricted affordable housing. Freddie Mac loan purchases provide critical liquidity and stability to the market. Despite our long-term engagement in the space, shifting market forces require adjustments and create new learning opportunities. For example, in 2022, we recognized the growing need to combine major public subsidies such as LIHTC with state and local programs to close capital shortages. As a result, 81.8% of LIHTC properties in our LIHTC pipeline received state or local support in 2022.

3. **Optional:** If applicable, why were all components of this objective not completed?

Not applicable.

*Attach the data specified for Loan Purchase objectives in Section 3 of this document.*