



Freddie Mac Multifamily Affordable Housing Efforts Have Long Targeted Areas Now Deemed Opportunity Zones

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MCLEAN, Va., May 07, 2019 (GLOBE NEWSWIRE) -- With a torrent of new capital set to flood newly created Opportunity Zones, [Freddie Mac](#) (OTCQB: FMCC) today released an [analysis](#) of past loans that financed multifamily properties within these geographies. According to the research, the company's loans in economically distressed areas, which are now designated Opportunity Zones, has grown rapidly since 2010. The paper also finds that affordable rental housing for very low-income households is more than twice as common in Opportunity Zones, where median incomes are lower and poverty rates are higher than the national average.

"The research shows that Freddie Mac financing for affordable housing in economically distressed areas predated the creation of Opportunity Zones," said Steve Guggenmos, vice president of Research and Modeling for Freddie Mac Multifamily. "Our financing in these areas has far outpaced our work elsewhere, consistent with our mission to seek out the areas most in need of affordable housing. The ultimate impact of additional and tax-advantaged investments remains to be seen."

A high percentage of Freddie Mac's Targeted Affordable Housing (TAH) program business comes from Opportunity Zones, according to the report. The TAH business line finances multifamily properties that have rent restrictions on at least a portion of the units on the property.

Multifamily rental housing is expected to be a key component of Opportunity Funds. Indeed, of the 105 Funds identified by the National Council of State Housing Agencies (NCSHA), 70 have an investment focus of multifamily residential development, with estimated funds totaling between \$14.9 billion to \$15.2 billion.

"The census tracts that governors identified as being economically distressed and in need of capital infusion overlap quite well with areas that Freddie Mac targets for affordable housing assistance," the report concludes. "Our mission is to promote housing affordability for families who struggle with high rental cost burden and our historical financing activity in these areas showcases our commitment to this goal."

[Freddie Mac Multifamily](#) is the nation's multifamily housing finance leader. Historically, more than 90 percent of the eligible rental units we fund are affordable to families with low to moderate incomes earning up to 120 percent of area median income.

Freddie Mac makes home possible for millions of families and individuals by providing mortgage capital to lenders. Since our creation by Congress in 1970, we've made housing more accessible and affordable for homebuyers and renters in communities nationwide. We are building a better housing finance system for homebuyers, renters, lenders and taxpayers. Learn more at [FreddieMac.com](#), Twitter [@FreddieMac](#) and Freddie Mac's blog [FreddieMac.com/blog](#).

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