Freddie Mac Sets LIHTC Equity Record with $675 Million in Affordable Multifamily Housing Investments

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Program Supported Over 4,800 Affordable Rental Units in Diverse and Underserved Markets in 2021

MCLEAN, Va., Feb. 08, 2022 (GLOBE NEWSWIRE) -- Freddie Mac (OTCQB: FMCC) closed a record $675 million in Low-Income Housing Tax Credit (LIHTC) equity investments in 2021, funding over 4,800 affordable units in diverse and underserved markets across the United States. The investments include a new 162-apartment community near areas devastated by fires in Central California, affordable rental homes for farmworkers in rural Washington and the Yurok Indian Tribe in Northern California, and other affordable housing units in urban areas like Tulsa, Oklahoma and Los Angeles.

Beyond affordability, several of the financed properties include units designated for special needs households, including youth and families experiencing homelessness, young people aging out of foster care, survivors of domestic violence, people with disabilities, or people with HIV or AIDS.

“Freddie Mac’s LIHTC equity investment program benefits those impacted the most by the affordable housing crisis in America,” said Steve Johnson, vice president of Small Balance Loan and Targeted Affordable Sales & Investments at Freddie Mac. “Together with our LIHTC syndicators we are preserving and creating affordable housing supply in the most underserved communities in America.”

In September, the Federal Housing Finance Agency (FHFA) raised the annual LIHTC equity investment cap from $500 million to $850 million. Freddie Mac rapidly scaled its LIHTC Equity program, adding an additional $175 million to its 2021 investments at lightning speed. The unused balance of $175 million from 2021 will roll over into 2022, allowing Freddie Mac to further grow its LIHTC equity investments in the year ahead.

“We snapped into action the day we got the green light to ramp up our LIHTC equity investments, and I could not be prouder of how quickly we were able to add volume,” said Steve Gildersleeve, the Freddie Mac production director who leads the LIHTC Equity Team.

“This work is incredibly impactful, and we’re thrilled by the opportunity to continue growing the LIHTC Equity program to serve more underserved communities across the country,” added Nikki Harvey, director of Multifamily Underwriting at Freddie Mac.

Freddie Mac Multifamily is the nation's multifamily housing finance leader. Historically, more than 90% of the eligible rental units we fund are affordable to families with low-to-moderate incomes earning up to 120% of area median income. Freddie Mac securitizes about 90% of the multifamily loans it purchases, thus transferring the majority of the expected credit risk from taxpayers to private investors.

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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