



Freddie Mac's 2023 Equitable Housing Finance Plan Builds on Year One Achievements

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Company releases update to three-year Plan to promote access to equitable and sustainable housing

MCLEAN, Va., April 05, 2023 (GLOBE NEWSWIRE) -- [Freddie Mac](#) (OTCQB: FMCC) today published updates to its three-year Equitable Housing Finance [Plan](#), the company's roadmap to promote sustainable homeownership and rental opportunities for traditionally underserved Black and Latino communities across the nation. The Plan is an important component of Freddie Mac's mission-driven efforts to expand affordable housing and improve outcomes for renters and borrowers in all communities. The company today also published a progress [report](#) highlighting its accomplishments against the 2022 Plan.

"The actions laid out in this year's Equitable Housing Finance Plan build upon the work we started last year to give families in underserved communities a more equitable chance to have a quality, affordable place to call home," said Michael DeVito, CEO of Freddie Mac. "We have made meaningful progress over the last year, and we know there is much more to do. The update released today illustrates our commitment to help more families in the years to come."

In 2022, Freddie Mac helped more than 488,000 minority borrowers purchase or refinance a home, accounting for more than 30 percent of the company's Single-Family acquisitions.

The updates to the Plan contain adjustments and enhancements to activities that advance equitable and sustainable housing and rental opportunities while preserving safety and soundness. The Plan published today includes:

- **Using Special Purpose Credit Programs (SPCP)** to make homeownership possible for underserved communities. Under the Plan, Freddie Mac will continue purchasing loans originated through both lender [SPCPs](#) and its own SPCP, BorrowSmart AccessSM. BorrowSmart Access provides down payment assistance and financial education to eligible families. To help even more borrowers overcome the down payment challenge, Freddie Mac's [DPA OneSM](#), a down payment assistance digital platform, will be made available broadly this year.
- **Continuing to help renters achieve homeownership** in two ways: establishing and improving credit scores and considering a history of on-time rent payments in loan purchase decisions. To date, more than 184,000 renters have enrolled in Freddie Mac's [renter credit building initiative](#), and more than 27,000 participants have also established credit scores for the first time. Moving forward, the company's goal is to make on-time rent reporting an industry standard.

The company will also continue to advance housing equity by reaching those who may not have qualified for homeownership with traditional underwriting. This includes making additional enhancements to Loan Product Advisor[®] (LPA), Freddie Mac's automated underwriting system, which is currently used to verify assets, income, employment, and a history of positive cash flow [activity](#).

- **Supporting the creation, preservation, and rehabilitation of affordable housing** by increasing the availability of accessory dwelling units (ADUs), manufactured homes and land trust mortgage offerings. The Plan also commits Freddie Mac to further expanding the use of multifamily forward commitments to facilitate ground-up construction and adaptive reuse of affordable and workforce housing and to rehabilitate and preserve affordable rentals. In 2022, the company enhanced its policies to increase the availability of ADUs, committed to funding more than 20,000 units through forward commitments and preserving more than 4,200 units without the use of government subsidy.
- **Launching multiple initiatives to increase diversity across the housing finance industry.** This effort includes a targeted correspondent lending program to help small financial institutions access Freddie Mac's multifamily financing. To increase the number of minority-owned businesses in underserved areas, Freddie Mac will expand its "Develop the Developer" program in both the single-family and multifamily markets. To date, the company has trained more than 70 developers, of which more than half are minority, women-owned businesses. The company also continues its support for diverse-owned capital markets firms, which so far have acquired credit protection of approximately \$833 million on more than \$50 billion in unpaid principal balance of mortgage loans.
- **Educating the industry and consumers** by providing outreach, resources and research to expand housing opportunities, particularly for diverse homebuyers. This effort includes a new Spanish learning module for [CreditSmart](#), Freddie Mac's free online financial literacy curriculum. In 2022, Freddie Mac reached over 300,000 consumers through education and

counseling, with 79% self-identifying as people of color.

"We were able to make measurable headway on our Equitable Housing goals in year one by working closely with FHFA and other industry participants," said Michael Hutchins, President of Freddie Mac. "Our 2023 Plan incorporates new thinking and lessons learned to ensure we are as effective and impactful as possible."

Freddie Mac's Equitable Housing Finance Plan includes a series of actions to advance equity in both the single-family and multifamily housing markets. The ambitious set of initiatives focuses on five core areas: addressing the homeownership gap, strengthening investment within formerly redlined areas, financing the creation and preservation of affordable housing, increasing opportunities for renters, and helping to eliminate disparities among Black and Latino communities. The Plan sets goals, outlines actions to achieve those goals, and includes an annual progress report.

For additional information, read the [2023 Plan](#), [2022 Progress Report](#), and the company's [fact sheet](#). [Learn more](#) about Freddie Mac's diversity, equity and inclusion efforts.

About Freddie Mac

Freddie Mac's mission is to make home possible for families across the nation. We promote liquidity, stability, affordability and equity in the housing market throughout all economic cycles. Since 1970, we have helped tens of millions of families buy, rent or keep their home. Learn More: [Website](#) | [Consumers](#) | [Twitter](#) | [LinkedIn](#) | [Facebook](#) | [Instagram](#) | [YouTube](#)

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