



## Freddie Mac Multifamily Loan Purchase Cap for 2024 is \$70 Billion

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### Direction will shape Multifamily lending, mission focus for year ahead

MCLEAN, Va., Nov. 14, 2023 (GLOBE NEWSWIRE) -- Freddie Mac (OTCQB: FMCC) Multifamily's loan purchase cap for 2024 will be \$70 billion. The cap is set by [the Federal Housing Finance Agency](#) (FHFA) based on projections for the size of the multifamily debt origination market. Freddie Mac has also [received](#) from FHFA updated criteria for its "mission-driven" business.

"We know the multifamily market faces significant headwinds, which makes Freddie Mac's countercyclical role critically important to lenders and borrowers," said Kevin Palmer, head of Multifamily for Freddie Mac. "We continue to maintain a laser focus on providing liquidity, stability and affordability to the market, and FHFA has again set strong requirements that create the conditions for us to deliver on our priorities."

FHFA defines its mission-driven requirements in [Appendix A](#) of its Scorecard. For 2024, 50% of loans purchased must be mission driven. Mission-driven is defined as loan purchases that support:

- Targeted Affordable Housing properties where all or a portion of the units are income or rent restricted as a result of a regulatory agreement or a recorded use restriction;
- Workforce housing properties where units are subject to either rent or income restrictions that are codified in loan agreements;
- Other affordable units where rents are affordable to tenants at various income thresholds but are not subject to tenant income or rent restrictions;
- Properties located in rural areas as defined by the Duty to Serve regulation;
- Manufactured Housing Communities that receive credit under the Duty to Serve regulation, which requires tenant pad lease protections;
- Certain loans to finance energy- or water-efficiency improvements.

To promote affordable housing preservation, loans classified as supporting workforce housing properties will be exempt from the 2024 volume cap.

"Freddie Mac created its preservation offerings to give multifamily borrowers an incentive to keep rents affordable," Palmer said. "This change shows that FHFA is further encouraging us to pursue our efforts to maintain affordability through the terms of our loan agreements."

[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'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:

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