Freddie Mac Multifamily Supports Over 423,000 Affordable Rental Units in 2023, on Track to Exceed Affordable Housing Goals

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MCLEAN, Va., Jan. 22, 2024 (GLOBE NEWSWIRE) -- Freddie Mac (OTCQB: FMCC) Multifamily today announced its 2023 volume totaled over $49 billion, including $48.3 billion in multifamily financing and over $883 million in Low-Income Housing Tax Credit (LIHTC) equity investments. The company met its mission-driven affordable housing targets, supporting 423,177 affordable rental units across the United States. The Freddie Mac data released today indicates that the company will achieve all of its 2023 Multifamily affordable housing goals set by the Federal Housing Finance Agency (FHFA).

A total of 66% of 2023 production volume qualified as “mission-driven affordable housing,” far exceeding the 50% goal set by FHFA. More than 67% of goal-eligible units financed through loan acquisitions were affordable to low-income residents earning less than 80% of area median income (AMI) and more than 20% were affordable to very low-income residents with incomes no greater than 50% of AMI, surpassing both goals. In total, 92% of all units financed in 2023 were affordable at or below 120% of AMI.

“In 2023, Freddie Mac Multifamily was proud to again surpass our ambitious affordable housing goals, despite significant headwinds facing the overall market,” said Kevin Palmer, head of Multifamily for Freddie Mac. “That is a credit to our team, our Optigo® lenders and their borrowers. We continue to be focused on and driven by all aspects of our mission. In addition to supporting affordability, in a difficult market like this one, when other liquidity providers step back, Freddie Mac Multifamily remains a steady provider of market rate loans, helping to support liquidity and stability in all market conditions.”

With more than $883 million in LIHTC equity investments in 2023, Freddie Mac achieved its LIHTC equity Duty to Serve target, aligning with FHFA’s decision to increase the LIHTC equity cap for 2024. Since 2018, Freddie Mac Multifamily has committed over $4 billion in LIHTC equity, ensuring nearly 30,000 units of affordable housing were created or preserved.

In 2023, Freddie Mac Multifamily helped to create and preserve affordable rental housing by funding a record $2.6 billion in forward conversions, which supported more than 21,000 newly constructed or rehabilitated affordable units. In addition, Freddie Mac Multifamily issued new commitments to fund $2.3 billion in future years, supporting over 22,000 units that will be constructed or rehabilitated. The forward program enhances the supply of new and rehabilitated affordable housing by providing certainty of permanent financing, even in volatile markets.

In addition, Freddie Mac Multifamily financed more than $13 billion in Targeted Affordable Housing in 2023, supporting nearly 108,000 rent-restricted affordable units. As Freddie Mac Multifamily works to advance resident-centered housing, 2023 marked a milestone in financing nearly 29,000 manufactured housing community pads with tenant protections that met or exceeded the standards laid out in its Duty to Serve Plan.

Palmer added, “In a housing market where affordability continues to be a major impediment for consumers, our team financed more than 423,000 affordable rental units. We are proud of our ability to help hundreds of thousands of families live in a place they can call home.”

About Us

Freddie Mac Multifamily is a national 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 more than 90% of the multifamily loans it purchases, transferring interest-rate risk, liquidity risk, and the majority of expected credit risk away from U.S. 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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