



Freddie Mac AIMI Shows Multifamily Markets Continue to Grow

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MCLEAN, VA--(Marketwired - Nov 2, 2016) - [Freddie Mac](#) (OTCQB: FMCC) today announced multifamily investing fundamentals grew stronger in the second quarter, both nationally and in all 13 major metro markets tracked by the Freddie Mac Multifamily [Apartment Investment Market Index](#) (AIMI(SM)). This marks the second consecutive quarter of positive growth tracked by AIMI, a free on-line analytical tool that combines multifamily rental income growth, property price growth and mortgage rates to provide a single index that objectively reflects market investment conditions.

Nationally, AIMI values increased 2.6% in the second quarter to 110.4 from 107.4 in the first quarter. Local markets seeing the biggest quarterly gains in their AIMI scores were Washington, D.C. (7.2%), Chicago (7.1%), Philadelphia (5.9%) and Seattle (5.7%).

A rise in AIMI values from one quarter to the next implies an increasingly favorable environment for multifamily investment opportunities, while a decline suggests that attractive investment opportunities are becoming more difficult to find.

"The increase in AIMI over the past quarter is due to strong net operating income growth along with a declining mortgage rate environment. These two pieces offset the growth in property prices. Strong demand is continuing to absorb new units despite today's relatively high rate of construction," said Steve Guggenmos, vice president of Freddie Mac Multifamily Research and Modeling.

At the same time, the second quarter AIMI index also reflects a moderation in multifamily market's rate of growth over the past year. Nationally, the AIMI index topped 115 at this same time last year. Locally, AIMI scores have fallen by an average of 4.5 percentage points over that same period of time in 11 out of the 13 metro areas used to compute the index. The only two markets where AIMI had increased compared to this time last year were Chicago (0.7%) and Washington, D.C. (0.6%).

In addition to national and local values, AIMI also provides a [sensitivity table](#) that shows how the Index value changes based on changes in the underlying variables. Additional information about [AIMI](#) is on the Freddie Mac Multifamily website and includes [FAQs](#) and a [video](#).

[Freddie Mac Multifamily](#) helps ensure an ample supply of affordable rental housing by purchasing and securitizing mortgages on apartment buildings nationwide. The loans range from \$1 million to several billions and roughly 90 percent support rental units for lower income households. Freddie Mac securitizes about 90 percent of the multifamily loans it purchases, thus transferring the vast majority of the expected credit risk from taxpayers to private investors.

Freddie Mac was established by Congress in 1970 to provide liquidity, stability and affordability to the nation's residential mortgage markets. Freddie Mac supports communities across the nation by providing mortgage capital to lenders. Today Freddie Mac is making home possible for one in four home borrowers and is the largest source of financing for multifamily housing. Additional information is available at [FreddieMac.com](#), Twitter [@FreddieMac](#) and Freddie Mac's blog [FreddieMac.com/blog](#).

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