Freddie Mac

We make home possible℠

Annual Housing Activities Report for 2013

Federal Home Loan Mortgage Corporation

March 12, 2014

Introduction

Pursuant to section 307(f) of the Federal Home Loan Mortgage Corporation Act, as amended, 12 U.S.C. § 1456(f), the Federal Home Loan Mortgage Corporation (Freddie Mac) must submit annually to the Committee on Banking, Housing, and Urban Affairs of the Senate, the Committee on Financial Services of the House of Representatives and the Federal Housing Finance Agency (FHFA) a report on its activities under subpart B of part 2 of subtitle A of the Federal Housing Enterprises Financial Safety and Soundness Act of 1992, as amended, 12 U.S.C. §§ 4561 et seq.

The following constitutes Freddie Mac's 2013 Annual Housing Activities Report to Congress and FHFA under section 307(f) and the regulation at 24 C.F.R. 1282.63.[1]

A. Information Required Under § 307(f)(2)(A)

§ 307(f)(2)(A) requires that this report include, in aggregate form and by appropriate category, statements of the dollar volume and number of mortgages on owner-occupied and rental properties purchased which relate to each of the annual housing goals established under such subpart.

In 2013, Freddie Mac purchased more than 1.8 million mortgages on single-family owner-occupied properties, and more than 1,400 mortgages on multifamily properties.[2]

Exhibit A-1 summarizes our performance for the single-family affordable housing goals, listing for each affordable housing goal the regulatory benchmark, our performance against the benchmark in 2013, the dollar volume of goal-qualifying mortgages that Freddie Mac purchased in 2013, and the number of goal-qualifying mortgages. Exhibit A-2 summarizes our performance for the multifamily affordable housing goals, listing for the multifamily goal and subgoal, the regulatory targets, our performance against the targets in 2013, and the dollar volume of goal-qualifying units that Freddie Mac financed in 2013. Our official performance will be determined by FHFA.

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[1] The statistical and financial information included in this report and in the tables referenced in this report may not be comparable to information provided in Freddie Mac's public disclosure documents, including Monthly Volume Summaries and reports filed with the U.S. Securities and Exchange Commission, as the statistical and financial information included in this report and in the tables has been compiled and aggregated in accordance with specific regulatory guidelines. The information presented in the exhibits (and described in the related discussion) is derived from certain tables included in Freddie Mac's 2013 Annual Mortgage Report (2013 AMR). The 2013 AMR is being delivered to FHFA with this report.

[2] The vast majority of these single-family and multifamily mortgages funded "eligible housing units" for purposes of the housing goals, and thus was used as the basis for calculating our performance under the housing goals.

Exhibit A-1:
Freddie Mac's 2013 Single-Family Affordable Housing Goals Performance[3]

	2013 Benchmark	2013 Performance	Volume ($Millions)	Owner-Occupied Mortgages Financed
Single-Family				
Low-Income Purchase Goal	23%	21.77%	$12,737	93,425
Very Low-Income Purchase Goal	7%	5.52%	$2,412	23,705
Low-Income Areas Purchase Goal	21%	19.98%	$14,781	85,744
Low-Income Areas Subgoal	11%	12.26%	$9,510	52,621
Low-Income Refinance Goal	20%	24.11%	$43,518	320,962

Exhibit A-2:
Freddie Mac's 2013 Multifamily Affordable Housing Goals Performance[4]

	2013 Benchmark (Units)	2013 Performance (Units)[5]	Volume ($Millions)
Multifamily			
Low-Income Goal	215,000	254,627	$14,562
Very Low-Income Subgoal	50,000	56,752	$2,427

Pursuant to FHFA regulations[6] promulgated under section 1336(b)(2) of the Federal Housing Enterprises Financial Safety and Soundness Act of 1992 (FHEFSSA), as amended by the Federal Housing Finance Regulatory Reform Act of 2008 (enacted as part of the Housing and Economic Recovery Act of 2008), Freddie Mac may achieve a single-family housing goal or subgoal by meeting or exceeding either the FHFA benchmark or the share of qualifying loans originated by the market, as calculated from Home Mortgage Disclosure Act (HMDA) data.

The 2013 HMDA data is not expected to be released until the fall of 2014. At that time FHFA will have all the necessary information to make a final determination of our 2013 Affordable Housing Goals performance.

In 2013, Freddie Mac also financed 12,186 low-income rental units in single-family 2-4 unit properties in which an owner-occupant resides in the first unit.

[3] Figures calculated by Freddie Mac. Final performance will be calculated and published by FHFA.
[4] Id.
[5] 2013 Performance (Units) excludes 430 Low-Income Goal units and 227 Very Low-Income Subgoal units from a bifurcated loan that are included in the associated 2013 Annual Mortgage Report.
[6] 12 CFR 1282.12.

B. Information Required Under § 307(f)(2)(B)

§ 307(f)(2)(B) requires that this report include, in aggregate form and by appropriate category, statements of the number of families served by the Corporation, the income class, race, and gender of homebuyers served, the income class of tenants of rental housing (to the extent such information is available), the characteristics of the census tracts, and the geographic distribution of the housing financed.

In 2013, Freddie Mac financed housing for almost 2.5 million families, including more than 2 million single-family owner-occupied and rental units and almost 388,000 multifamily rental units.

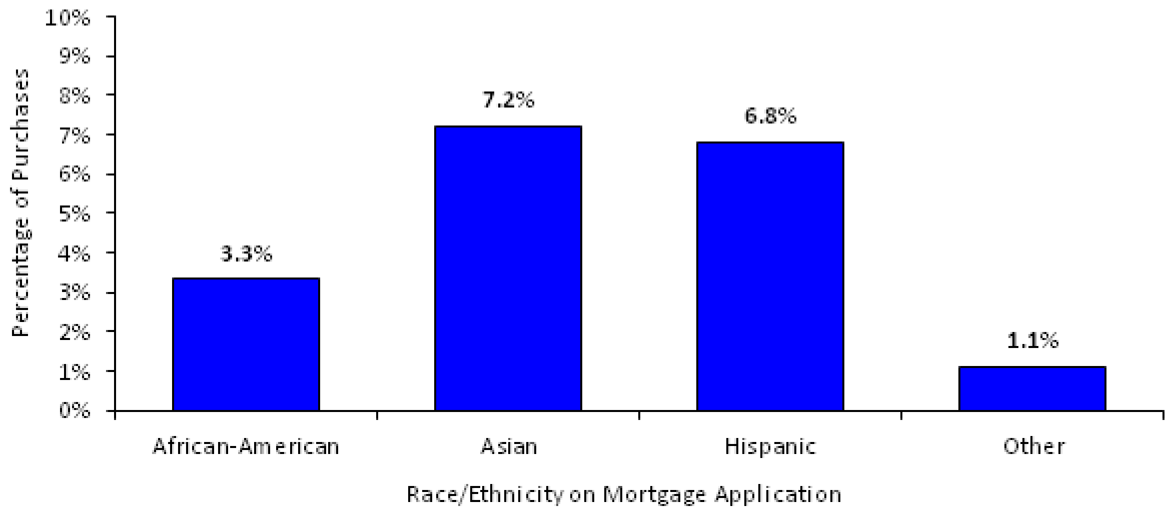
The following exhibits provide the information required under § 307(f)(2)(B).

Exhibit B-1:

Freddie Mac's 2013 Single-Family Owner-Occupied Mortgage Purchases, by Borrower Income

Source: Freddie Mac internal data.

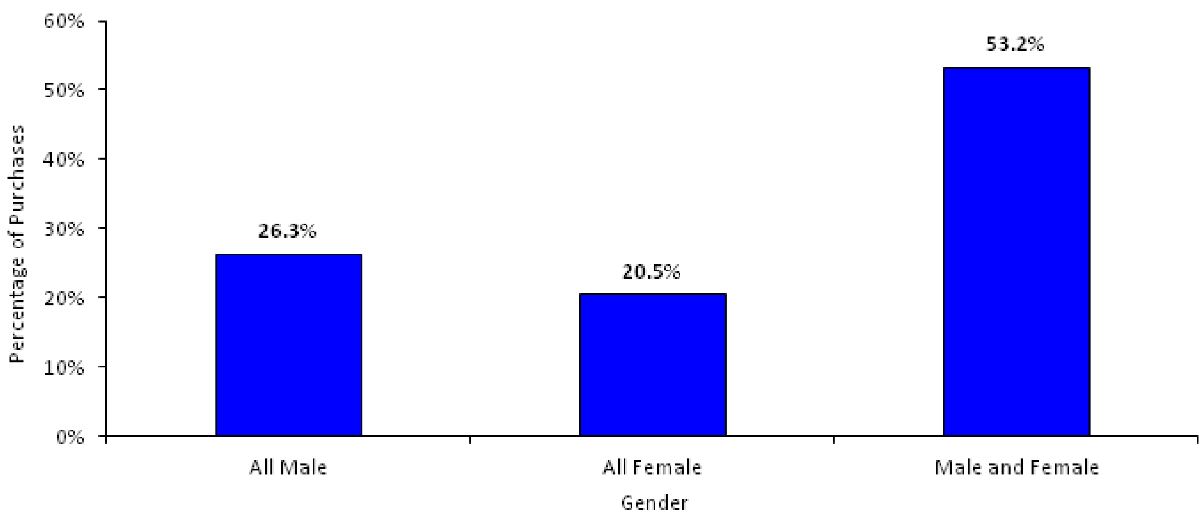
Exhibit B-2:
Freddie Mac's 2013 Single-Family Owner-Occupied Mortgage Purchases, by Race/Ethnicity of Minority Borrowers



Note: The "Other" category includes American Indian or Alaskan Native, Native Hawaiian or Other Pacific Islander, mortgages that have White and minority co-borrowers, and mortgages where a borrower defines him or herself to be of two or more races. The Hispanic borrower category overlaps with other minority categories, since borrowers may define themselves to be of Hispanic ethnicity and also belong to one or more racial classifications. Minority shares exclude mortgages where (a) ethnicity is non-Hispanic and race is missing, (b) race is White and ethnicity is missing, or (c) both race and ethnicity are missing.

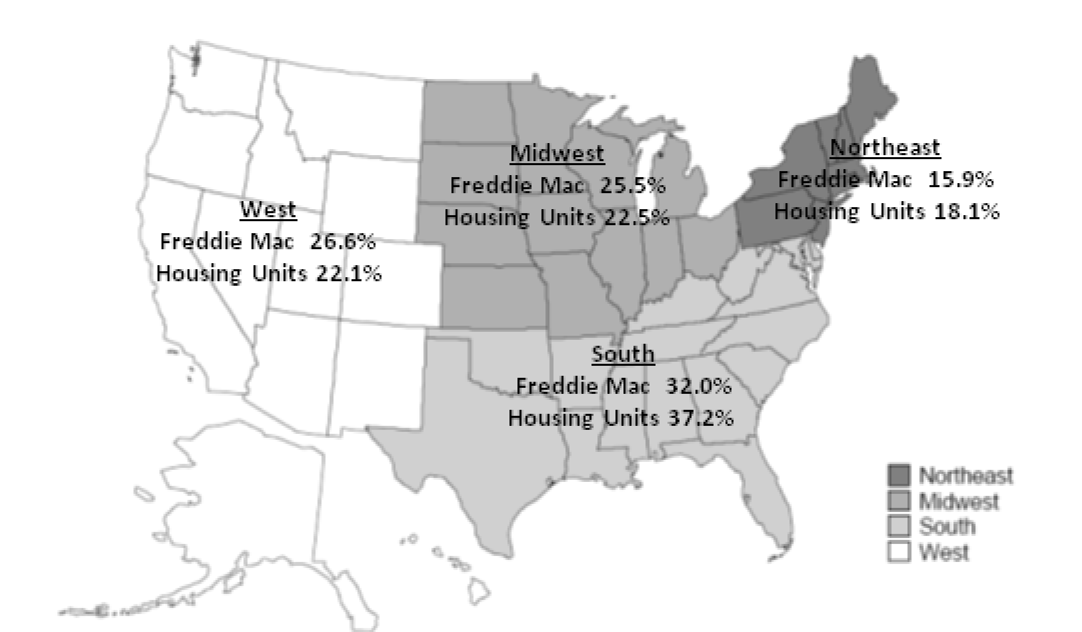
Source: Table 5A & 5B of the 2013 AMR.

Exhibit B-3:
Freddie Mac's 2013 Single-Family Owner-Occupied Mortgage Purchases, by Borrower Gender



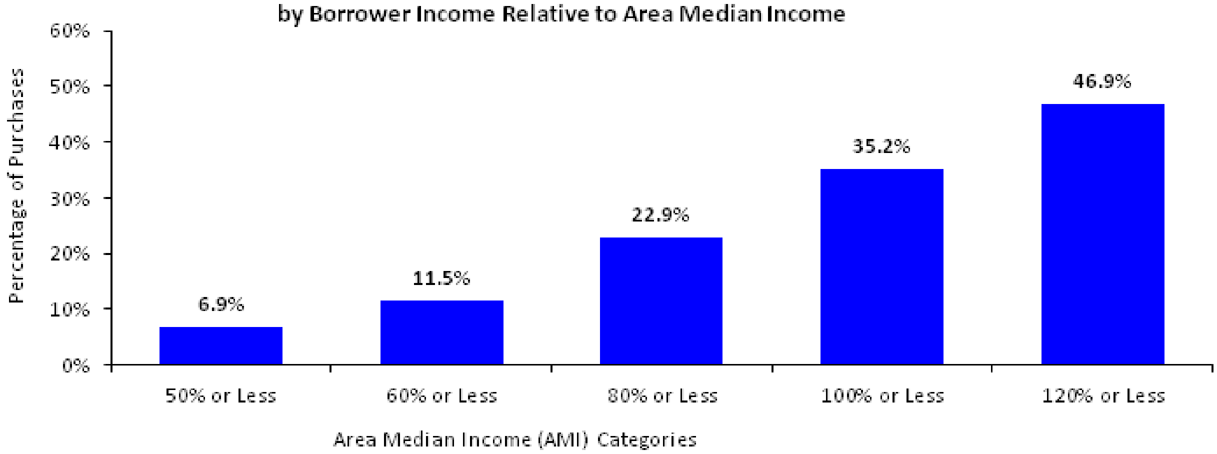
Note: These calculations exclude those mortgages for which we do not have borrower gender information.
Source: Table 6 of the 2013 AMR.

Exhibit B-4:
Freddie Mac's 2013 Single-Family Units Compared to 2012 Occupied Single-Family Housing Units, by Census Region



Note: Housing Unit data from 2012 American Community Survey.
Does not include Puerto Rico, Guam or U.S. Virgin Islands.

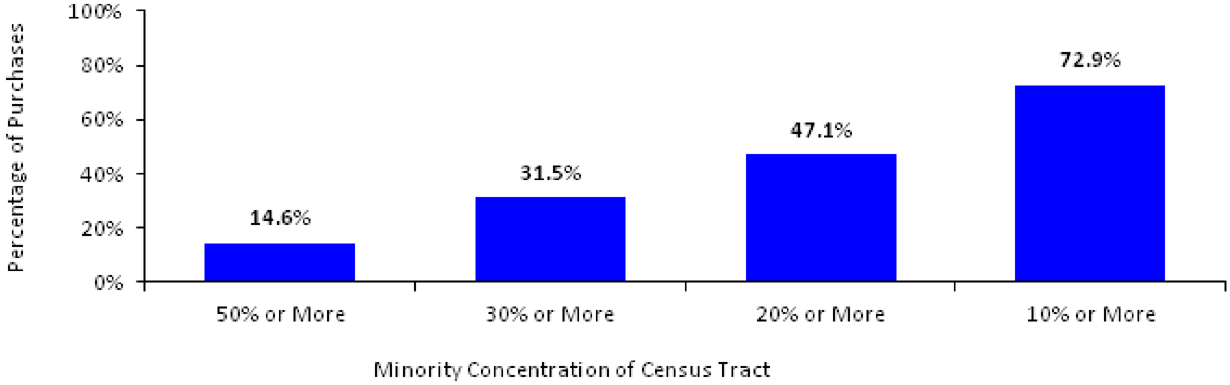
Exhibit B-5:
Freddie Mac's 2013 Single-Family Owner-Occupied Mortgage Purchases, by Borrower Income Relative to Area Median Income



Note: These calculations exclude those mortgages for which we do not have borrower income information.
Source: Table 2 of the 2013 AMR.

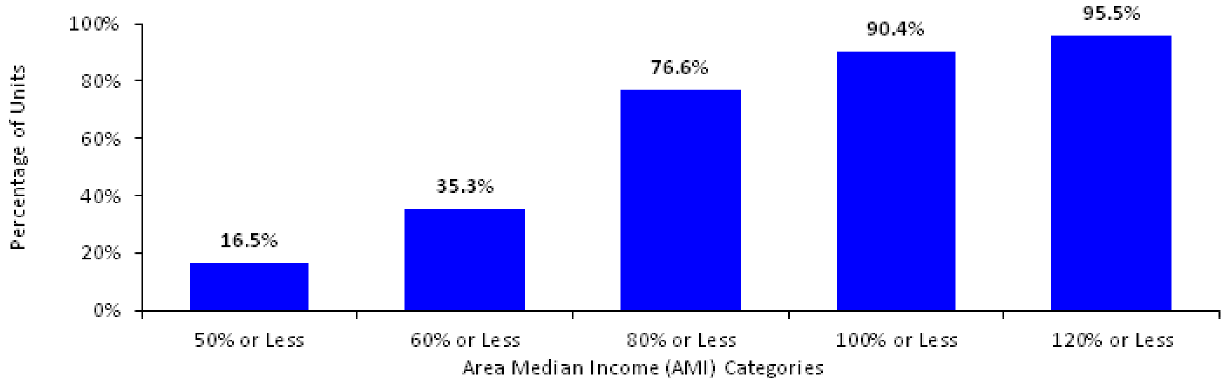
Exhibit B-6:

Freddie Mac's 2013 Single-Family Owner-Occupied Mortgage Purchases, by Minority Concentration of Census Tract



Source: Table 7 of the 2013 AMR.

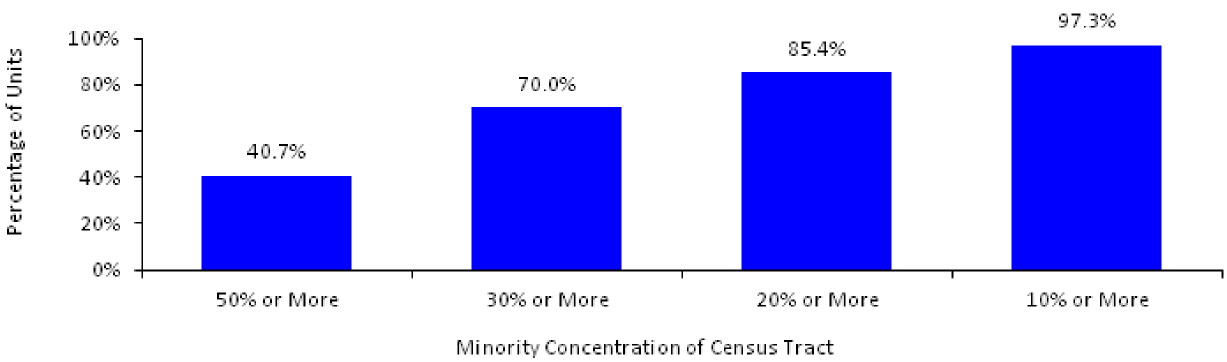
Exhibit B-7:
Freddie Mac's 2013 Multifamily Rental Units, by Affordability Relative to Area Median Income



Note: These calculations exclude those rental units for which we do not have rent information.
Source: Table 3 of the 2013 AMR.

Exhibit B-8:

Freddie Mac's 2013 Multifamily Rental Units, by Minority Concentration of Census Tract



Source: Table 8 of the 2013 AMR.

C. Information Required Under § 307(f)(2)(C)

§ 307(f)(2)(C) requires that this report include a statement of the extent to which the mortgages purchased by the Corporation have been used in conjunction with public subsidy programs under federal law.

In 2013, Freddie Mac purchased or guaranteed almost $276 million in single-family mortgages (financing approximately 2,300 mortgages) and $892 million in multifamily mortgages (financing approximately 14,500 units) that had been used in conjunction with various federal public subsidy programs including the following:

- the Federal Housing Administration (FHA) program;
- the Veteran Administration (VA) program;
- the U.S. Department of Agriculture's Guaranteed Rural Housing program;
- Mortgage Revenue Bonds (MRBs) issued by various state and local housing finance agencies (HFAs)[7]; and
- Section 8 and Section 236 programs.

In addition, Freddie Mac securitizes pools of multifamily mortgage revenue bonds under its Tax-Exempt Bond Securitization (TEBS) execution and credit enhances tax-exempt multifamily mortgage revenue bonds through its bond credit enhancement program. These transactions totaled almost $1.6 billion in 2013, financing 33,150 units for low-income families.

D. Information Required Under § 307(f)(2)(D)

§ 307(f)(2)(D) requires that this report include statements of the proportion of mortgages on housing consisting of 1 to 4 dwelling units purchased by the Corporation that have been made to first-time homebuyers, as soon as providing such data is practicable, and identifying any special programs (or revisions to conventional practices) facilitating homeownership opportunities for first-time homebuyers.

In 2013, Freddie Mac purchased more than 162,000 mortgages of first-time homebuyers, representing 37.6 percent of the owner-occupied, purchase money mortgages for which information on the borrower's ownership history is available.[8]

Freddie Mac also facilitated homeownership opportunities for first-time homebuyers through its support of housing finance agencies under the Housing Finance Agency (HFA) Initiative. Freddie Mac is one of the lead organizations administering the HFA Initiative. Freddie Mac

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[7] This figure does not include loans facilitated through Freddie Mac's guarantee of mortgage revenue bonds through the Housing Finance Agency Initiative. For more information on this initiative, see Section K.

[8] We do not have information on the borrower's ownership history for 0.03 percent (117) of the single-family, owner-occupied, purchase money mortgages we purchased in 2013. Therefore, we excluded those mortgages from the calculations underlying the information presented in this section.

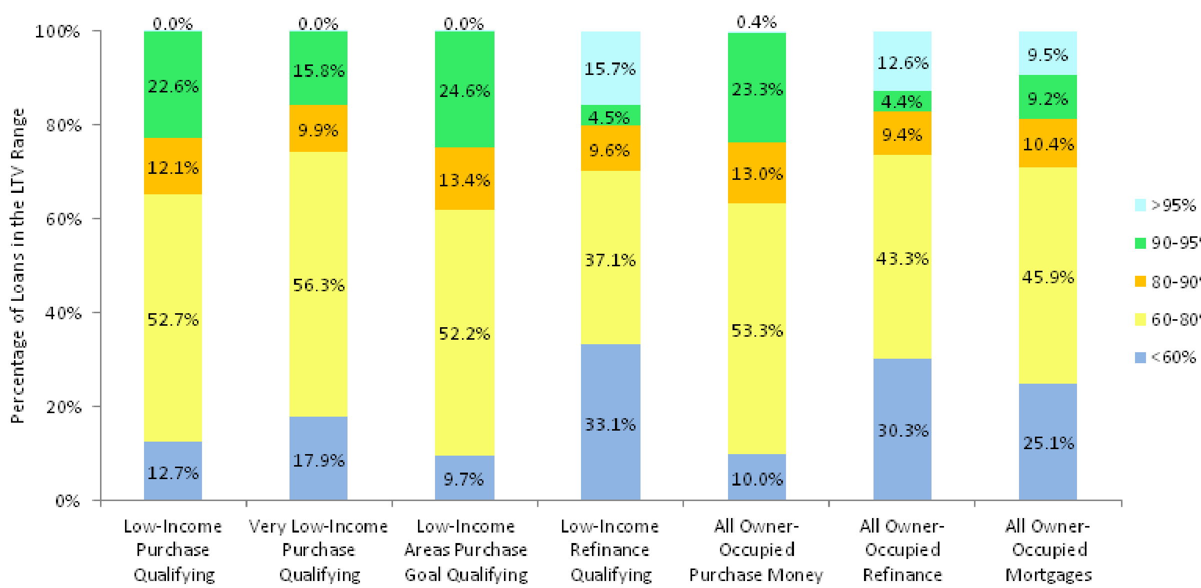
helped develop a securitization execution whereby Treasury purchased partially guaranteed GSE securities backed by tax-exempt (and certain taxable) bonds issued by the HFAs that enables the HFAs to originate mortgages to low- and moderate-income borrowers at affordable rates. Freddie Mac and Fannie Mae also provided substitute credit and liquidity facilities to HFAs to replace their existing liquidity facilities. For more information on the HFA Initiative see Section K.

E. Information Required Under § 307(f)(2)(E)

§ 307(f)(2)(E) requires that this report include, in aggregate form and by appropriate category, the data provided to the Director of FHFA under subsection (e)(1)(B) [loan-to-value ratios of purchased mortgages at the time of origination].

Exhibit E compares the LTV distribution on the goal-qualifying, single-family owner-occupied mortgages acquired by Freddie Mac in 2013 to the LTV distribution on all single-family owner-occupied mortgages acquired by Freddie Mac in 2013, as measured at the time of origination.

Exhibit E:
Distribution of Owner-Occupied Mortgage Purchases by LTV



Note: These calculations exclude those mortgages for which we do not have LTV information.
Source: Table 11 of the 2013 AMR.

F. Information Required Under § 307(f)(2)(F)

§ 307(f)(2)(F) requires that this report compare the level of securitization versus portfolio activity.

In 2013, Freddie Mac securitized $450 billion in single-family and multifamily mortgages and mortgage loan securitizations exceeded the purchases of single-family and multifamily mortgages into its portfolio by $8 billion.

G. Information Required Under § 307(f)(2)(G)

> *§ 307(f)(2)(G) requires that this report assess underwriting standards, business practices, repurchase requirements, pricing, fees, and procedures, that affect the purchase of mortgages for low- and moderate-income families, or that may yield disparate results based on the race of the borrower, including revisions thereto to promote affordable housing or fair lending.*[9]

Freddie Mac continues to make mortgage financing available for sustainable homeownership opportunities for low- and moderate-income families. To that end, Freddie Mac regularly evaluates market conditions, the credit environment, and the performance of our mortgage purchases in an effort to ensure that our underwriting standards, business practices, repurchase requirements, pricing, fees and procedures serve our mission to provide liquidity and stability to the conforming mortgage market, and promote affordable housing and fair lending.

During 2013, Freddie Mac continued to take steps consistent with prudent risk management to manage the risk of our credit terms, provide mortgage credit risk leadership in the marketplace, and help lenders make mortgage financing available for homeowners on terms intended to sustain successful homeownership. In doing so, Freddie Mac made the following significant credit policy changes and enhancements:

Implemented certain changes in response to the Consumer Financial Protection Bureau's Ability-to-Repay and Qualified Mortgage Standards Final Rule[10], which included:

- Eliminating mortgages with maturities greater than 30 years
- Eliminating Prepayment Penalty Mortgages
- Updating our requirements for Higher-Priced Mortgage Loans that are Relief Refinance Mortgages or ARMs with initial periods of seven or ten years

Enhanced the benefits of our Relief Refinance Mortgage (HARP) offering to increase lender participation and attract more borrowers who can benefit from refinancing their mortgage by:

- Extending the program expiration date by two years until December 31, 2015
- Permitting eligibility for restructured mortgages and making additional enhancements to ease delivery issues for lenders

Clarified and enhanced our condominium project lending requirements by:

- Simplifying our condominium project review and eligibility requirements and updating certain condominium project legal requirements
- Updating the types of condominium projects that are ineligible

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[9] As implemented by § 81.43(a) of the U.S. Department of Housing and Urban Development's regulations, 24 C.F.R. § 81.43(a) (2005).

[10] 78 FR 6407 (Jan. 30, 2013), as amended 78 FR 35429 (June 12, 2013) and 78 FR 44685 (July 24, 2013).

Revised our policy for servicing loans in disaster areas, such that in the event of presidentially declared disaster the servicer is permitted to release insurance proceeds in accordance with the practice used for the servicers' own portfolio including releasing the entire amount, if necessary. This will provide borrowers with a faster economic recovery from significant disasters.

In addition to credit policy actions, Freddie Mac made several enhancements to current risk tools and added new risk tools to help sellers ensure that the loans they originate meet Freddie Mac's underwriting and eligibility requirements. These enhancements included:

- Improving the functionality of Loan Prospector and enhancing the feedback messages that sellers receive.
- Introducing Loan Quality Advisor to provide sellers an automated way to identify potential eligibility issues both pre- and post-closing.
- Continuing to enhance the Uniform Collateral Data Portal to facilitate the electronic collection of appraisal report data.

H. Information Required Under § 307(f)(2)(H)

§ 307(f)(2)(H) requires that this report describe trends in both the primary and secondary multifamily housing mortgage markets, including a description of the progress made, and any factors impeding progress, toward standardization and securitization of mortgage products for multifamily housing.

National Trends in the Primary and Secondary Multifamily Mortgage Markets

The multifamily market has experienced strong rent and occupancy trends over the last several years, although the pace slowed in 2013. These strong fundamentals, coupled with low interest rates, drove an increase in investor demand for multifamily properties. The most recent preliminary data reported by Reis, Inc. indicated that the national apartment vacancy rate declined by 50 basis points during 2013 to 4.1% and represents the lowest level since 2001. In addition, Reis, Inc. reported that effective rents grew by 3.2% during 2013, compared to 3.9% during 2012. Vacancy rates and effective rents are important to loan performance because multifamily loans are generally repaid from the cash flows generated by the underlying property and these factors significantly influence those cash flows. According to the latest information available from Moody's Analytics, Inc. and Real Capital Analytics, Inc., apartment prices rose more than 12% nationally in 2013 and have returned to the peak values experienced in 2007 for most markets. As a result, the multifamily sector continued to experience strong investor interest and continued to outperform most other commercial real estate sectors in 2013.

As a result of our prudent underwriting standards and practices and the continued positive multifamily market fundamentals, the credit quality of the multifamily mortgage portfolio remains strong. Multifamily credit losses as a percentage of the combined average balance of our multifamily loan and guarantee portfolios were less than 1 basis point in 2013. The delinquency rate for loans in the multifamily mortgage portfolio was 0.09% as of December 31, 2013.

As a result of the positive market fundamentals and continuing strong portfolio performance, we expect our credit losses and delinquency rates to remain low in 2014. We believe the long-term outlook for the national multifamily market continues to be favorable as strong demand will support healthy cash flows and stable property values.

Freddie Mac Multifamily Financing and Initiatives

Freddie Mac continued to provide liquidity to the multifamily market and meet the needs for affordable rental housing through credit enhancing or purchasing multifamily mortgages originated by a network of approved seller/servicers. In 2013, we provided financing for approximately 1,600 properties amounting to nearly 388,000 apartment units with $25.9 billion of UPB in new loan purchases, bond guarantees, and bond securitizations. The vast majority of these apartments were affordable to households at or below the area median income. In accordance with our 2013 FHFA Scorecard goal, we reduced our new business volume by 10% as compared to 2012 levels.

Standardization and Securitization

Freddie Mac maintains a strong credit and capital management discipline. We follow a prior-approval approach when underwriting multifamily mortgages, allowing us to maintain our credit discipline by completing our own underwriting and credit review of each newly-originated multifamily loan internally before we accept it for purchase or guarantee. Our primary business model is to purchase held-for-sale multifamily loans for aggregation and securitization through the issuance and guarantee of multifamily K-Deal Certificates. Such K-Deals typically feature a wide range of investor options with stable cash flows and structured credit enhancement that transfers the vast majority of credit risk (i.e., expected credit losses) to third-party investors who hold the subordinated securities. The nature of our multifamily business is based on the general concept that private investor capital absorbs the first and predominant losses before any taxpayer exposure; we believe this positions the business well for the future.

In 2013, Freddie Mac purchased $23.0 billion in multifamily mortgages, (approximately 95% of the multifamily mortgages purchased by Freddie Mac) through the Capital Markets Execution℠ (CME) program and executed nineteen K Certificate transactions backed by $28.0 billion of multifamily loans. Our 2013 K Certificate securitization volume was approximately 22% higher than the 2013 CME multifamily loan purchase volume. Since 2009, Freddie Mac has securitized $71.5 billion in mortgage backed by 5-, 7-, and 10-year collateral, as well as floating rate and senior housing mortgages. Among the $71.5 billion securitization, Freddie Mac issued and guaranteed $61.0 billion in senior tranches and sold $10.5 billion in subordinated tranches to third party investors.

Freddie Mac requires loans purchased through the CME program to be more standardized than the historic norm because the senior and subordinated tranche investors expect to be able to readily understand the terms and performance of the underlying loans of the security they purchase, therefore the loans need to be homogenous. The securitization model allows Freddie Mac to access more potential capital sources and provides Freddie Mac with additional opportunities to finance multifamily properties at competitive rates, while providing greater liquidity and stability to the multifamily marketplace.

I. Information Required Under § 307(f)(2)(I)

§ 307(f)(2)(I) requires that this report describe trends in the delinquency and default rates of mortgages secured by housing for low- and moderate-income families that have been purchased by the Corporation, including a comparison of such trends with delinquency and default information for mortgage products serving households with incomes above the median level that have been purchased by the Corporation, and evaluate the impact of such trends on the standards and levels of risk of mortgage products serving low- and moderate-income families.

Two measures contrast the delinquency and default performance of mortgages serving low-and moderate-income (LMI) borrowers to the performance of mortgages serving borrowers who are above the area median income (non-LMI). In Exhibit I, the second column presents the ratio of early payment delinquency rates for LMI borrowers to that of non-LMI borrowers by acquisition year. The third column in Exhibit I presents the ratio of cumulative lifetime default rates for the two groups of borrowers.[11]

[11] The information presented in this section and in Exhibit I is based upon an analysis of unseasoned, conforming, conventional, forward amortizing, first lien, non-Graduated Equity Mortgages/Graduated Payment Mortgages. The delinquency (default) rates presented in Exhibit I were determined by dividing mortgages serving low- and moderate-income families by the delinquency (default) rates for mortgages serving households with incomes above the median level. Delinquency is defined as the borrower ever being 90 or more days delinquent on the mortgage within 12 months of Freddie Mac's acquisition. Default is defined as a foreclosure, deed-in-lieu of foreclosure, or third party sale occurring at any point since Freddie Mac acquired the mortgage. With respect to the delinquency rate, we analyzed only the performance during the first year so that we could present a trend over time that avoided commingling mortgages of different ages. The analysis presented here does not control for other risk factors, such as LTV or credit history.

Exhibit I

Delinquency and Default Rate of LMI Borrowers
Relative to the Delinquency and Default Rate of Higher Income Borrowers

Year of Acquisition	Relative Serious Early Delinquency Performance	Relative Ever Default Performance
1996	1.5	1.7
1997	1.7	1.8
1998	1.5	1.9
1999	1.7	1.9
2000	1.9	2.7
2001	1.9	2.8
2002	2.8	3.6
2003	2.7	3.0
2004	2.3	2.3
2005	1.7	1.6
2006	1.2	1.1
2007	1.1	1.2
2008	1.4	1.7
2009	1.9	2.6
2010	2.1	2.9
2011	2.4	3.0
2012	2.1	3.3
Average	1.6	1.7

Source: Internal Freddie Mac delinquency study.

J. Information Required Under § 307(f) (2) (J)

§ 307(f)(2)(J) requires that this report describe in the aggregate the seller and servicer network of the Corporation, including the volume of mortgages purchased from minority-owned, women-owned, and community-oriented lenders, and any efforts to facilitate relationships with such lenders.

Freddie Mac purchases mortgages from a network of 1,934 lenders, benefiting borrowers across the U.S. and its territories. Freddie Mac purchases mortgages from all major lender types. Some of these firms sell mortgages to Freddie Mac on a regular basis, while others sell to Freddie Mac only occasionally. Of the total seller network, more than 1,185 lenders sold mortgages to Freddie Mac in 2013. In 2013, 96 percent of our lenders are considered community-oriented lenders. In 2013, Freddie Mac purchased approximately $71 billion of mortgages from community-oriented lenders and approximately $70 billion of mortgages from regional lenders.

Freddie Mac's ongoing efforts to facilitate relationships with community-oriented lenders supported our ability to source mortgages from these institutions. We renewed our Community

Lending Alliance with the American Bankers Association and continued the alliance relationships with the Independent Community Bankers of America, the Credit Union National Association, and the Capital Markets Cooperative. In 2013, 496 lenders participated in the alliance program. Approximately 15 percent of the dollar volume of mortgages that Freddie Mac purchased from community and regional lenders came from participants in the Community Lending Alliances.

Minority-owned lenders and women-owned lenders represented a total of 3 percent of Freddie Mac's lender base in 2013. Freddie Mac purchased approximately $8.2 billion in mortgages from minority-owned lenders and women-owned lenders in 2013.

K. Information Required Under § 307(f)(2)(K)

> *§ 307(f)(2)(K) requires that this report describe the activities undertaken by the Corporation with non-profit and for-profit organizations and with State and local governments and housing finance agencies, including how the Corporation's activities support the objective of comprehensive housing affordability strategies under section 12705 of Title 42.*

Freddie Mac undertakes numerous activities in support of affordable housing with state and local governments, housing finance agencies, our lender customers, and a wide variety of non-profit and for-profit organizations. The following section describes some of the affordable housing initiatives Freddie Mac continued to take in 2013 that should also support the objectives of the Cranston-Gonzalez National Affordable Housing Act.

Housing Finance Agency Initiative

Since 2009, on behalf of the U.S. Department of the Treasury, Freddie Mac along with Fannie Mae and State Street Global Advisors served as the lead organizations managing the implementation and administration of the Housing Finance Agency (HFA) Initiative – New Issue Bond Program (NIBP) and Temporary Credit and Liquidity Program (TCLP). Freddie Mac also worked closely with FHFA and US Bank Corporate Trust.

As part of the Obama Administration's *Homeowner Affordability and Stability Plan*, the HFA Initiative is an interim solution designed to assist state and local HFAs' lending programs and support their infrastructure.

Throughout all of 2013, Freddie Mac dedicated significant corporate resources to manage both the NIBP and TCLP. Specifically, staffs from Mission, Legal, Counterparty Credit, Single Family and Multifamily Sourcing, Accounting and Finance were involved the entire year to ensure effective and proper implementation and governance of the program.

The HFA Initiative consists of two main components:

- New Issue Bond Program (NIBP) – To enable the HFAs to originate mortgages to low- and moderate-income borrowers at affordable rates, Freddie Mac and Fannie Mae developed a securitization execution whereby Treasury purchased partially guaranteed GSE securities backed by tax-exempt (and certain taxable) bonds issued by the HFAs. The HFAs used the proceeds from bond issuances to originate new single-family and multifamily mortgages. Total completed issuance through the expiration of the program in 2012, including simultaneous and drawn funds from escrow, totaled $12,467,505,000 representing over 86 percent of allocated funds. Single-family program bond issuance totaled $10,432,965,000, (approximately 84 percent of total allocations) and multifamily program bond issuance totaled $2,694,470,000 (over 95 percent of total allocations). Additionally, $75,070,000 of SF allocation was transferred to multifamily per the extension agreement of November 2011. All transactions were executed on the dates requested by the HFAs with no errors or failed conversions.

- Temporary Credit and Liquidity Program (TCLP) – Under the TCLP, Freddie Mac and Fannie Mae provided substitute credit and liquidity facilities to HFAs to replace their existing liquidity facilities. For a three-year period, Freddie Mac, together with Fannie Mae, will provide, on a standby basis, credit support and liquidity guaranties for certain variable rate single-family and multifamily housing revenue bonds. HFAs are required to convert to private liquidity providers as competitive facilities become available to them. Two state HFAs have successfully exited the TCLP in 2013. Effective December 31, 2013, four HFAs remain in the TCLP. Total TCLP balance outstanding as of December 31, 2013 was $1,549,515,000, including single-family and multifamily.

Program Enhancements

Freddie Mac worked collaboratively with Treasury and all of the named participants to successfully extend the NIBP program through December 31, 2012. Thirty Seven HFAs have opted into the 2012 extension. This extension will provide an opportunity for Housing Finance Agencies to use their remaining funds.

Additionally, in November 2012, Treasury extended the TCLP portion of the HFA Initiative through December 2015. In so doing, Treasury is requiring participating agencies to provide a detailed plan of how and when they will reduce their exposure to Variable Rate Debt Obligations.

Making Home Affordable and Other Foreclosure Prevention Activities

In 2013, Freddie Mac continued to support the Making Home Affordable program through outreach initiatives, events, and activities with housing professionals. Freddie Mac Staff and representatives participated in 43 borrower outreach events, which included Treasury, HOPE NOW Alliance, Congressional, Servicer, non-profit and industry events. In support of foreclosure prevention efforts, Freddie Mac also conducted 58 trainings and educational sessions for housing counselors on foreclosure alternatives and Freddie Mac specific policies such as the Streamline Modification, Standard Short Sales, Standard Deed-In-Lieu, and Relief Refinance (HARP). 5,499 housing counseling professionals attended these sessions.

Borrower Help Centers/ Borrower Help Network

In order to assist delinquent borrowers avoid foreclosure, Freddie Mac continued to maintain "Borrower Help Centers" with selected non-profit organizations in several metropolitan areas. In these centers, delinquent borrowers receive free, in-person, face-to-face financial reviews and counseling assistance through a trusted intermediary. Freddie Mac also continued to develop "The Borrower Help Network" with a national non-profit organization to provide free, phone-based financial reviews and counseling assistance to a targeted group of pre-identified delinquent borrowers nationwide who have not responded to previous contact attempts from their mortgage servicer. In 2013 we expanded our Borrower Help Centers to Atlanta, Las Vegas, and Los Angeles and will open a center in Detroit in 2014. We now have a total of 13 Borrower Help Centers and Network organizations.

The "The Borrower Help Network" initiative is designed to encourage delinquent borrowers to pursue mortgage workouts whenever possible. Through this initiative, Freddie Mac wants to leave no stone unturned in helping struggling homeowners keep their homes. In 2013, the Borrower Help Centers and Borrower Help Network solicited 67,712 delinquent Freddie Mac borrowers, made right party contact to 7,373 borrowers, counseled 3,923 of them, and assisted 1672 loans to be reinstated after contact. The year was concluded with 1,951 foreclosures avoided.

Other Initiatives with Non-Profits

Freddie Mac continues to engage non-profit organizations, lenders and housing professionals in educational and outreach initiatives designed to inform and prepare homebuyers and homeowners on how to build and maintain better credit, make sound financial decisions and understand the steps to successful long-term homeownership. The educational tools used to support these initiatives include, “CreditSmart,” a multilingual financial education curriculum, “CreditSmart Online” in English and Spanish, “Your Step-By-Step Mortgage Guide,” “Get the Facts on Homeownership,” and “Take Root” outreach campaigns.

Regional and Local Initiatives

Freddie Mac pursued loss mitigation efforts through various non-profit organizations on regional and local basis to connect struggling borrowers with information they need to get them back on their feet. Through 66 separate initiatives conducted in 2013, we were able to reach 91,683 consumers and 8142 industry professionals with information and training on alternatives to foreclosure and resources to better connect with the servicer.

Freddie Mac also undertakes numerous outreach initiatives designed to expand homeownership opportunities in minority and underserved communities in states and localities across the country. In 2013, Freddie Mac created 103 new outreach initiatives, reaching 72,083 consumers and 10,373 industry professionals to guide and educate them on responsible financial practices and homeownership opportunities.

Affordable Housing Advisory Council

Freddie Mac convened 52 participants from the housing industry and government to discuss the theme of "Affordable Housing Consumption of the Future." Georgia Tech professor Dan Immergluck provided a periodic assessment of the nation's housing outlook and summarized important trends in the economics and demographics of housing. Panelists from Enterprise Community Partners, Georgia Department of Community Affairs and the University of Georgia offered their expertise and insight from a national, state, and local perspective. The forum also included presentations on housing policy, mortgage products of the future, demographics and diversity, and the role of technology in the marketplace. Attendees included national and local non-profits, lenders, as well as state and local municipalities.

Hurricane Sandy Outreach Response

In the aftermath of Hurricane Sandy in 2012, Freddie Mac continued during 2013 to work together with community organizations to ease the burden for families hit hard by the disaster. Freddie Mac continued to work with 17 local New York and New Jersey non-profits to assist affected residents to address long-term recovery. Working through three of these local non-profit agencies, HomeSteps executed 19 leases as part of their REO for Rental Initiative.

Freddie Mac also provided special training, e-blasts and listserv communications to educate and inform housing counselors on Freddie Mac's disaster relief policies and resources, reaching over 10,000 counselors.

Through a holiday donation drive, Freddie Mac employees delivered large truck loads of blankets, food items, toys and clothes to New York and New Jersey non-profit organizations to help those still struggling one year after the disaster.