



FEDERAL HOUSING FINANCE AGENCY
Office of the Director

December 17, 2015

Mr. Donald H. Layton
Chief Executive Officer
Federal Home Loan Mortgage Corporation
8200 Jones Branch Drive
McLean, VA 22102

Re: Final Determinations of Freddie Mac's 2014 Housing Goals Performance

Dear Mr. Layton:

Thank you for the November 13, 2015 response to the Federal Housing Finance Agency's (FHFA) preliminary determination of Freddie Mac's performance on the housing goals for 2014.

FHFA has completed its review of Freddie Mac's performance under the Enterprise housing goals for 2014, pursuant to section 1336 of the Federal Housing Enterprises Financial Safety and Soundness Act of 1992, 12 U.S.C. 4566, and FHFA's regulation, 12 CFR 1282. FHFA has determined that for 2014 Freddie Mac achieved the single-family low-income areas home purchase goal, low-income areas home purchase subgoal, and low-income refinance goal. FHFA has also determined that Freddie Mac achieved both multifamily housing goals for 2014.

However, FHFA has also determined that Freddie Mac failed to meet the single-family low-income home purchase goal and very low-income home purchase goal for 2014. FHFA has further determined that achievement of the 2014 low-income home purchase goal and very low-income home purchase goal for Freddie Mac was feasible. In making this determination, FHFA analyzed the size and composition of the conventional conforming primary mortgage market, as measured using Home Mortgage Disclosure Act (HMDA) data for 2014. FHFA also considered the financial condition of Freddie Mac in 2014.

As specified in 12 CFR 1282.12, the single-family housing goals include both a benchmark level and a market level determined by FHFA based on its analysis of HMDA data for 2014. Freddie Mac meets a single-family housing goal if its official performance meets or exceeds either the benchmark level or the market level. FHFA's final determinations of Freddie Mac's official performance on the single-family housing goals for 2014 are set forth below:

Single-Family Housing Goals	Benchmark level – 2014	Market level – 2014	FHFA Final Determinations of Freddie Mac's 2014 Performance
Low-Income Home Purchase Goal	23%	22.8%	21.0%*

Very Low-Income Home Purchase Goal	7%	5.7%	4.9%*
Low-Income Areas Home Purchase Goal	18%	22.1%	20.1%
Low-Income Areas Home Purchase Subgoal	11%	15.0%	13.6%
Low-Income Refinance Goal	20%	25.0%	26.4%

* Reflects goal not met.

For each single-family housing goal, the percentage shown above reflects the proportion of mortgages that met the criteria for that goal. A mortgage may count, as appropriate, towards more than one goal or subgoal in the performance year. The home purchase goals are based on Freddie Mac's acquisitions of purchase money mortgages, while the refinance goal is based on Freddie Mac's acquisitions of refinance mortgages and Home Affordable Modification Program (HAMP) loan modifications, where applicable.

The multifamily housing goals are based solely on benchmark levels established in advance by FHFA pursuant to 12 CFR 1282.13. FHFA's final determinations of Freddie Mac's official performance on the multifamily housing goals for 2014 are set forth below:

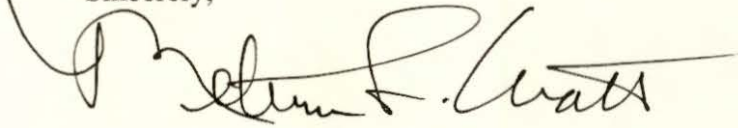
Multifamily Housing Goals	Benchmark level – 2014	FHFA Final Determinations of Freddie Mac's 2014 Performance
Low-Income Multifamily Goal	200,000	273,434
Very Low-Income Multifamily Subgoal	40,000	48,689

For the multifamily housing goal and subgoal, the number shown above reflects the number of multifamily rental units that met the criteria for that goal or subgoal. A rental unit may count for both the goal and subgoal if it meets the criteria for both.

Under the Safety and Soundness Act, FHFA may require an Enterprise to submit a housing plan if the Enterprise has failed to meet any of its goals and FHFA determines that the achievement of the goals was feasible. As set forth above, FHFA has determined that achievement of the goals by Freddie Mac was feasible. In accordance with the applicable provisions of the Safety and Soundness Act, FHFA has determined that Freddie Mac must submit a Housing Plan within 45 days of the date of this letter for 2016-2017 that addresses Freddie Mac's plans to achieve the single-family low-income and very low-income home purchase goals in accordance with 12 CFR 1282.21.

If you have any questions, please contact Ted Wartell, Manager, Office of Housing and Community Investment, Division of Housing Mission and Goals, at Ted.Wartell@fhfa.gov or 202-649-3157.

Sincerely,

A handwritten signature in black ink, appearing to read "Melvin L. Watt". The signature is fluid and cursive, with a long horizontal stroke extending to the right.

Melvin L. Watt