Exhibit E:
Annual Loan Purchase Narrative Reporting Template

FREDDIE MAC

AFFORDABLE HOUSING PRESERVATION

2018 REPORT

EVALUATION AREA: PURCHASE

ACTIVITY:

Activity 9 – Support Residential Economic Diversity: Additional Activity

OBJECTIVE:

Objective A -- Purchase loans on properties that support residential economic diversity

SUMMARY OF RESULTS:

	Restricted Units	*Properties*
Baseline (2014-2016)	*2,500*	*23*
2018 Target (lesser of)	*2,600*	*25*
2018 Volume[1]	*3,647*	*39*
Incomes Targeted	*As required by rent restriction programs*	

In 2018, Freddie Mac exceeded our annual targets for purchases of mortgages in High Opportunity Areas. Our success resulted from investment in our platform, innovative loan offerings and our ability to leverage the capital markets to distribute risk away from taxpayers and access cost-effective private investment capital at significant scale. Our purchases had a substantial impact by providing significant liquidity that enabled the preservation of affordable housing, even where the costs of construction remained high.

In our 2018 DTS plan, we set our baseline in excess of our 3-year average from 2014-2016 and ambitiously set our target over our baseline as the lesser of 2,500 units or 25 properties. There are no reliable estimates of annual debt originations in this part of the AHP market, and it is one of the hardest to predict because so much depends upon a geographic definition, LIHTC allocations and development decisions. Since 2014, we have seen wide variation between years in terms of properties and units due to these market factors and dependencies. Our purchases for the last several years are detailed below:

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[1] Freddie Mac's total 2018 purchases in High Opportunity Areas reflects the total volume from our retail platform, including both our TAH retail network and our conventional regional network, as well as TAH individually negotiated transactions. The total 2018 purchase volume was calculated in a manner that is consistent with the Baselines and Targets in our DTS Plan. During the preparation of the annual report we discovered that while the baselines and targets in our plan reflect this complete view, the text accompanying the Baselines and Targets in our Plan indicated they were based only on volume from our TAH retail seller/ servicer network or via TAH negotiated transactions. For consistency with the stated Baselines and Targets in the Plan and to provide a more accurate representation of our impact to this market, we are reporting on the total volume of DTS qualifying mortgages and units from our retail platform in this report. Our previously reported volume for the first three quarters had been limited to volume from our TAH network. Notably, we exceed our purchase targets when only sourced from our TAH network; we are reporting on total volume to provide accurate comparison of our purchase volume to our Baselines.

	2014	**2015**	**2016**	**2017**	**2018**
Units	1,471	4,425	1,603	2,978	3,647
Properties	14	32	24	44	39

Because of this variability, we set our goals to ensure we could achieve a numerical measure of success without sacrificing market discipline — this is an important factor given that market challenges could limit opportunities to support affordable housing in high opportunity areas.

In 2018, we materially increased our purchases by number of units over the prior two years. Our 2018 loan purchases represent an increase of 46% over our baseline number of units, and 40% over our target, which was already aggressive given market context and our prior purchase activity. Moreover, our 2018 purchases represent a 22% increase in units over 2017.

We were also able to attract private investment capital at record scale and distribute risk away from the taxpayer through our capital markets credit risk transfer executions, such as our K-Deal — an ability that is central to our vision of DTS as being integrated into our fundamental business. In 2018, 97% of the loans on high opportunity properties which we purchased already underwent risk transfer or have risk transfer pending, while the remaining 3% await determination of the optimal risk transfer method.

We achieved this success despite two market challenges: rising Treasury rates and reduced LIHTC equity pricing relative to our baseline years, both which are described below.

Through the volume of loans that we purchased, the breadth and distribution of properties and borrowers we supported, and the unique ability of our business model to attract private capital and distribute risk, we had a substantial impact on affordable housing in high opportunity areas in 2018.

SELF-ASSESSMENT RATING OF PROGRESS

Select the category that best describes progress on this objective for the year.

- ☐ Objective met
- ☒ Objective exceeded
- ☐ Objective partially completed:
  - ☐ 75-99% (substantial amount)
  - ☐ 50-74% (limited amount)
  - ☐ 25-49% (minimal amount)
  - ☐ 1-24% (less than a minimal amount)
- ☐ No milestones achieved

IMPACT:

Provide a self-assessment of the level of impact that actions under the objective have accomplished.

- ☒ 50 – Substantial Impact
- ☐ 40
- ☐ 30 – Meaningful Impact
- ☐ 20
- ☐ 10 – Minimal Impact
- ☐ 0 – No Impact

IMPACT EXPLANATION:

Answer the following questions.

1. How and to what extent were actions under this objective impactful in addressing underserved market needs or laying the foundation for future impact in addressing underserved market needs? *(Character limit: 3,000 characters, including spaces)*

Freddie Mac's record purchase activity in 2018 unequivocally had substantial impact on this market based on volume, and there were many additional factors that demonstrated this value and impact. These factors support the long-term provision of persistent liquidity to this segment of the market and are a direct result of the efforts of Freddie Mac, our Optigo℠ lenders and the structure of our market-leading credit risk transfer model. Ultimately, Freddie Mac loans have a fundamentally greater impact on the market because we can attract more private capital to support our activities and therefore distribute more of the risk away from taxpayers than other participants in this market.

Creating and preserving affordable housing to promote Residential Economic Diversity (RED) is very difficult, as older properties are often attractive candidates for conversion to market rate housing, and the cost of new construction is often prohibitively expensive disallowing 100% affordable properties. By making loan purchases on properties in high opportunity areas, we are enabling developers and localities to further RED and promote affordability in some of the areas where it is hardest to do so.

1. *We support high impact transactions*
    a. *Heritage Apartments is a 271-unit property in Chula Vista, California. The transaction used our Bridge to Resyndication (B2R) and Tax-exempt Loan (TEL) to extend affordability at a 64% rent advantage.*
    b. *Woodside Gardens Apartments is a 144-unit property in Annapolis, MD. The transaction used our B2R and TEL to extend affordability and make property improvements.*
2. *We support RED broadly in both QAP designated census tracts and DDAs*
    a. *26 properties are in DDAs, 7 properties are in QAPs, and 6 properties are in both QAPs and DDAs*
3. *We maximize the value of public subsidy*
    a. *We leverage not just LIHTC equity or Section 8, but also state and local programs. 44% of the high opportunity properties included state or local program support as well*
4. *We attract private capital to distribute risk*
    a. *Under our securitization models, we execute near complete risk transfer away from taxpayers and Freddie Mac.*
        i. *97% of the high opportunity area properties on which we purchased loans have already undergone risk transfer (74%) or have risk transfer pending (23%), while the remaining 3% await determination of the optimal risk transfer method.*
    b. *At the same time, we maintain strong credit standards.*
        i. *In our history of securitizations, we have never had any delinquencies[2] on any of our high opportunity loans in a K- or ML-Deal.*
    c. *We attract private capital from a wide variety of investors to support affordable housing.*
        i. *Our K-Deals have attracted nearly 550 different investors since the inception of the program in 2009, with 241 participating in 2018.*

2. Optional: How do actions under this objective support future actions detailed in the Plan for the underserved market? If there have been any changes in the planned next steps or timeline for work under or related to this objective, describe the changes and provide a brief explanation. *(Character limit: 1,500 characters, including spaces)*

Our success in 2018 is the result of the strong fundamentals of our business in credit and risk distribution, our innovative set of loan offerings, and the reach of our Optigo network. Looking ahead, we will lead the market as we continue working with our lenders to support more states, communities and borrowers in their efforts to preserve affordable housing, and to continue to provide liquidity, distribute risk, and act with disciplined credit in support of this market.

3. Optional: Are there any market factors that adversely impacted the actions under this objective? If so, describe. *(Character limit: 3,000 characters, including spaces)*

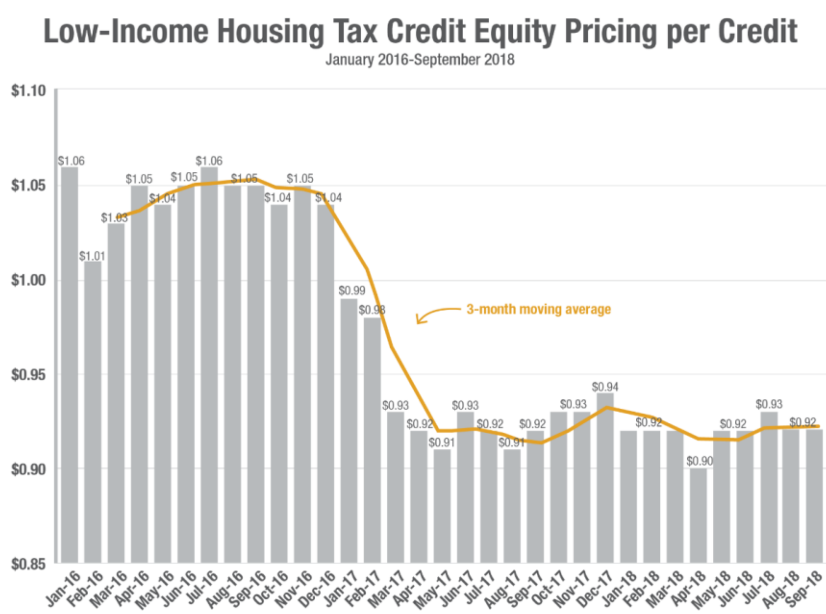
The market for affordable housing in high opportunity areas is heavily dependent on the LIHTC market and interest rates, both of which made this objective more difficult when compared to the prior years in our baseline, particularly our prior record year of 2015.

[2] *Delinquencies are defined here as 60+ day delinquencies, which is the point at which action could be taken*

In 2018, the 10-year Treasury increased from 2.46 on 1/2/18 to 2.69 at year-end, with a high of 3.24 on 11/8/18. Comparing annual Treasury rates between 2016 and 2018, we find that the 10-year Treasury is up from an average of 1.84 in 2016 to an average of 2.91 in 2018 –a substantial increase of 107 bps compared to our peak baseline year. This equates to a difference of over $1 million in additional funding required for a $10 million property. Some of this money could come from additional tax credits, while the remainder could come from additional subordinate debt or other subsidies, neither of which are unlimited resources.

*Historic Treasury rates can be found on treasury.gov

We have also continued to see reduced LIHTC equity pricing as compared to peaks in 2016. As of the end of 3Q2018, per Novogradac, LIHTC equity pricing was $0.92 per credit as compared to the peak rate in July 2016 of $1.06 per credit.[3] This difference creates a substantial funding gap and increases the need for either additional tax credits, public subsidy or subordinate debt to create or preserve the same number of units. Alternatively, fewer units could be created or preserved under lower price per credit scenarios.



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[3] *https://www.novoco.com/resource-centers/affordable-housing-tax-credits/data-tools/lihtc-pricing-trends*

We were able to mitigate these challenges while maintaining market discipline, using the following strategies.

1. *We continued to invest in our platform, and are realizing the benefits of strategic, long-term investment in our people and our innovative loan offerings from both 2018 and before.*
2. *We leveraged the breadth of our loan offerings to support this market.*
3. *We better leveraged our capital markets executions, such as our K-Deal and ML-Deal, to tap into capital markets demand for first-loss positions in Freddie Mac securities. This allowed us to bid more aggressively for transactions in high opportunity areas and offset a substantial portion of the Treasury spread increases, while still distributing nearly all of the risk to private investors.*
4. *We directed our Optigo network to increase focus on high opportunity area transactions, and they adjusted their business accordingly.*

4. Optional: How did the actions under this objective contribute to increased or future loan purchases for the underserved market? *(Character limit: 1,500 characters, including spaces)*

Each year we assess both activity of prior years and market opportunities in the upcoming year, among other factors, to determine lending targets for our Optigo network. Fundamental to this exercise is a focus on market discipline and continuing to operate a stable, market-leading business that can provide consistent liquidity over the long term. While we exceeded our DTS target in 2018, we also recognize that, as our market share increases, so does our responsibility to be disciplined. Should the market allow us to maintain the high level of volume from 2018 in future years, we expect to do so, but will continue to be mindful that dramatic short-term shifts in numerical targets can have negative unintended consequences at the expense of market discipline and the long-term health of the market.

Attach the data specified for Loan Purchase objectives in Section 3 of this document.

AFFORDABLE HOUSING PRESERVATION

1Q REPORT

EVALUATION AREA: PURCHASE

ACTIVITY:

Activity 9 – Support Residential Economic Diversity: Additional Activity

OBJECTIVE:

Objective A -- Purchase loans on properties that support residential economic diversity

SUMMARY OF RESULTS:

	Units	Properties
Baseline	2,500	23
2018 Target (lesser of)	2,600	25
1Q 2018 Volume	738	5

Freddie Mac is committed to supporting affordable housing in high opportunity areas. We have sharpened our focus on these markets and released a mapping tool in early January to our Seller/Servicers to help them identify high opportunity census tracts in which to pursue transactions. The mapping tool allows them to determine if the properties they intend to finance are located in such tracts, and allows us to emphasize those transactions.

As a result of our efforts, we are on track to meet or exceed our targets despite two key challenges: the increase in the 10-year treasury index and continued reduction in LIHTC equity pricing.

In 2018, the 10-year treasury has increased from 2.46 on 1/2/18 to 2.74 at the end of Q1, with a high of 2.94 on 2/21/18. When compared to the rate of 1.78 and the end of 1Q2016, the treasury index is up nearly 100 bps compared to our peak baseline year, which means that first mortgage funding would be smaller under higher interest rates. This equates to a difference of nearly $1 million in additional funding required for a $10MM property as compared to our baseline period. Some of this money could come from additional tax credits, while the remainder could come from additional subordinate debt or other subsidies, neither of which are unlimited resources.

Additionally, we have continued to see reduced LIHTC equity pricing as compared to peaks in 2016. As of the end of 1Q2018, per Novogradac, LIHTC equity pricing was $0.92 per credit as compared to the peak of July 2016, when it was $1.06 per credit.[1] This difference creates a substantial funding gap as compared to peak years, leading to the need for either additional tax credits, public subsidy, or subordinate debt to create or preserve the same number of units. Alternatively, fewer units could be created or preserved under lower price per credit scenarios.

Because RED transactions are sensitive to both interest rates and LIHTC equity pricing, this objective has increased in difficulty in 2018. Despite this, we expect to meet or exceed our targets.

SELF-ASSESSMENT RATING OF PROGRESS:

Select the category that best describes progress on this objective for the reporting period.

☒ On-target to meet or exceed the objective

☐ Progress delayed and/or partial completion of the objective expected

☐ Unlikely to achieve any milestones of the objective

[1] https://www.novoco.com/resource-centers/affordable-housing-tax-credits/data-tools/lihtc-pricing-trends

ADDITIONAL INFORMATION (IF APPLICABLE):
N/A

Exhibit A:

Quarterly Loan Purchase Narrative Reporting Template

FREDDIE MAC

AFFORDABLE HOUSING PRESERVATION

1Q REPORT

EVALUATION AREA: PURCHASE

ACTIVITY:

Activity 9 – Support Residential Economic Diversity: Additional Activity

OBJECTIVE:

Objective A -- Purchase loans on properties that support residential economic diversity

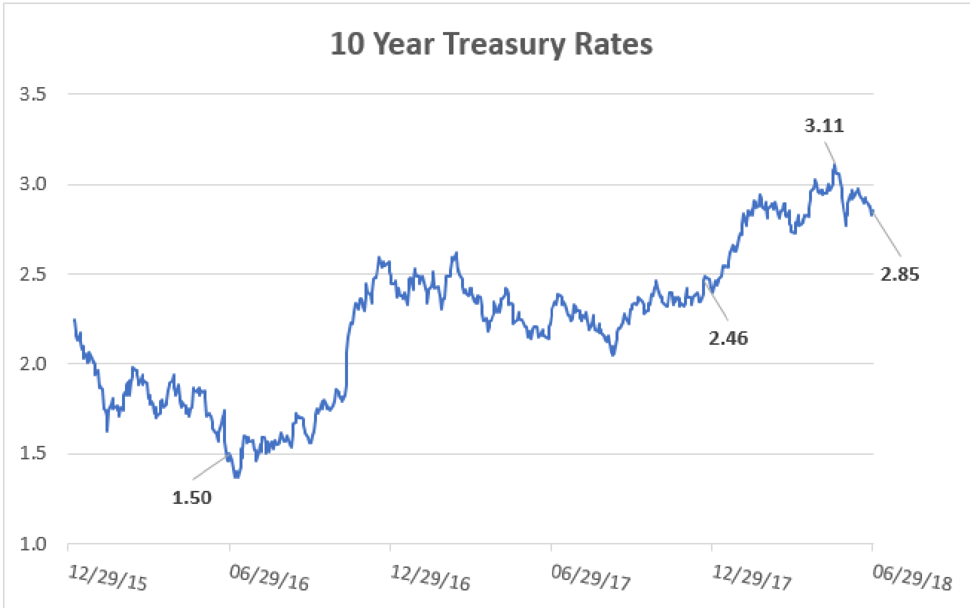
SUMMARY OF RESULTS:

	Units	**Properties**
Baseline	2,500	23
2018 Target (lesser of)	2,600	25
YTD 2018 Volume	2,675	17

Freddie Mac is committed to supporting affordable housing in high opportunity areas. We emphasized these areas with our Seller/Servicers at our Targeted Affordable Seller Workshop in the second quarter and released a mapping tool in early January to our Seller/Servicers to help identify high opportunity census tracts. The mapping tool allows Seller/Servicers to determine if the properties they intend to finance are located in such tracts.

As a result of our efforts, we have exceeded our target through the second quarter despite two key challenges: the increase in the 10-year treasury index and continued reduction in LIHTC equity pricing.

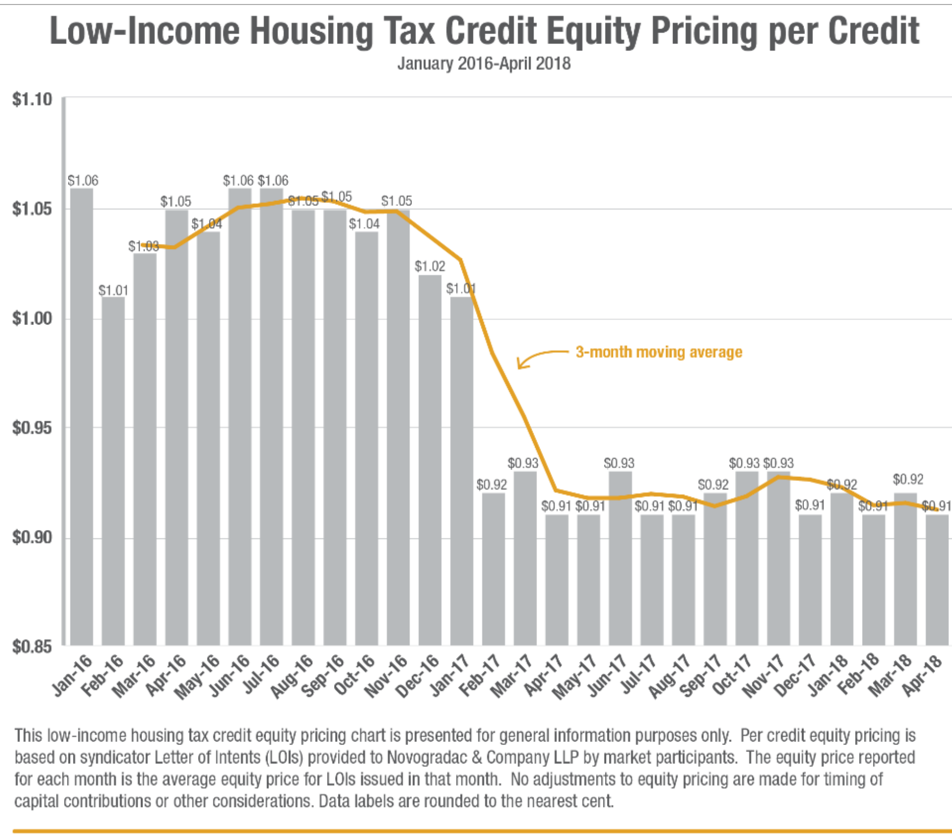
In 2018, the 10-year treasury has increased from 2.46 on 1/2/18 to 2.85 at the end of Q2, with a high of 3.11 on 5/17/18. When compared to the rate of 1.50 and the end of 2Q2016, the treasury index is up nearly 135 bps compared to our peak baseline year, which means that first mortgage funding would be smaller under higher interest rates. This equates to a difference of over $1 million in additional funding required for a $10MM property as compared to our baseline period. Some of this money could come from additional tax credits, while the remainder could come from additional subordinate debt or other subsidies, neither of which are unlimited resources.



Historic 10 Year treasury rates can be found on treasury.gov

Additionally, we have continued to see reduced LIHTC equity pricing as compared to peaks in 2016. As of the end of 1Q2018, per Novogradac, LIHTC equity pricing was $0.92 per credit as compared to the peak of July 2016, when it was $1.06 per credit.[1] This difference creates a substantial funding gap as compared to peak years, leading to the need for either additional tax credits, public subsidy, or subordinate debt to create or preserve the same number of units.

[1] https://www.novoco.com/resource-centers/affordable-housing-tax-credits/data-tools/lihtc-pricing-trends



[2]

Because RED transactions are sensitive to both interest rates and LIHTC equity pricing, this objective has increased in difficulty through 2018. Despite this, we have met our target while maintain market discipline for several reasons.

1. We have provided our seller/servicers direction on RED qualifying high opportunity markets.
2. We have continued to invest in our platform: (1) we hired new staff and rebalanced assignments so we can to process more transactions; (2) our new offerings have led to transactions we would not have otherwise seen; and (3) we have seen an increase in Green Up adoption, which yields more proceeds from underwriting projected water and energy efficiency savings, which offset some of the capital gaps.
3. We have included more LIHTC debt transactions in our K-deals, which has given access the capital markets more efficiently by tapping into increasing investor demand for K deals. This allows us to bid more aggressively for LIHTC debt transactions and offset a substantial portion of the treasury spread increases while still distributing nearly all of the risk to private investors.
4. We have successfully marketed several ML securitizations, which, like our K-deals, have enabled us to access the capital markets more efficiently. This in turn allows us to bid more aggressively for LIHTC Tax-Exempt Loan transactions and offset a substantial portion of the treasury spread increases and declining LIHTC equity pricing and distribute nearly all of the risk to private investors.

SELF-ASSESSMENT RATING OF PROGRESS:

Select the category that best describes progress on this objective for the reporting period.

[2] https://www.novoco.com/atom/169786

☒ On-target to meet or exceed the objective

☐ Progress delayed and/or partial completion of the objective expected

☐ Unlikely to achieve any milestones of the objective

ADDITIONAL INFORMATION (IF APPLICABLE):

N/A

AFFORDABLE HOUSING PRESERVATION

3Q REPORT

EVALUATION AREA: PURCHASE

ACTIVITY:

Activity 9 – Support Residential Economic Diversity: Additional Activity

OBJECTIVE:

Objective A -- Purchase loans on properties that support residential economic diversity

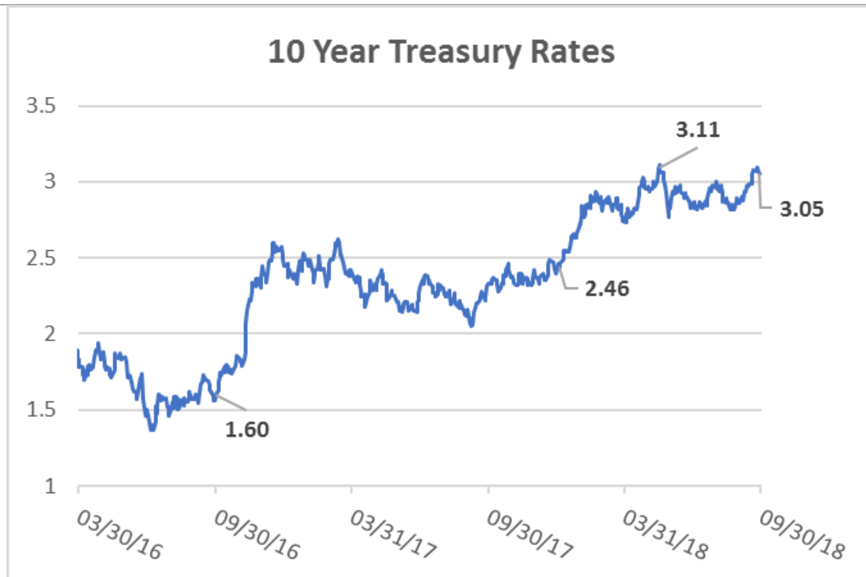
SUMMARY OF RESULTS:

	Units	**Properties**
Baseline	2,500	23
2018 Target (lesser of)	2,600	25
YTD 2018 Volume	2,865	19

Freddie Mac is committed to supporting affordable housing in high opportunity areas. We emphasized these areas with our Seller/Servicers at our Targeted Affordable Seller Workshop in the second quarter and released a mapping tool in early January to our Seller/Servicers to help identify high opportunity census tracts. The mapping tool allows Seller/ Servicers to determine if the properties they intend to finance are located in such tracts.

As a result of our efforts, we have exceeded our target through the third quarter despite two key challenges: the increase in the 10-year treasury index and continued reduction in LIHTC equity pricing.

In 2018, the 10-year treasury has increased from 2.46 on 1/2/18 to 3.05 at the end of Q3, with a high of 3.11 on 5/17/18. When compared to the rate of 1.60 and the end of 3Q2016, the treasury index is up nearly 145 bps compared to our peak baseline year, which means that first mortgage funding would be smaller under higher interest rates. This equates to a difference of over $1 million in additional funding required for a $10MM property as compared to our baseline period. Some of this money could come from additional tax credits, while the remainder could come from additional subordinate debt or other subsidies, neither of which are unlimited resources.



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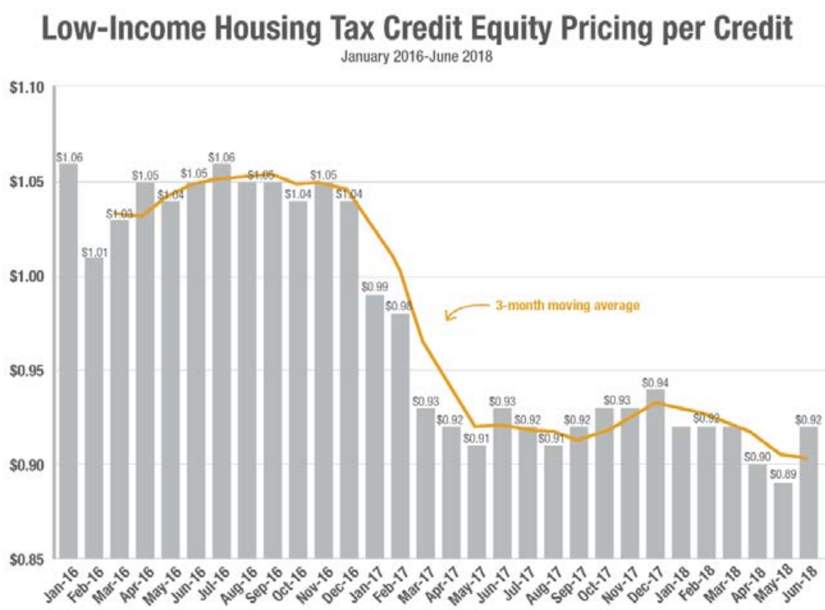

[2]

Because RED transactions are sensitive to both interest rates and LIHTC equity pricing, this objective has increased in difficulty through 2018. Despite this, we have met our target while maintain market discipline for several reasons.

1. We have provided our seller/servicers direction on RED qualifying high opportunity markets.

[1] https://www.novoco.com/resource-centers/affordable-housing-tax-credits/data-tools/lihtc-pricing-trends
[2] https://www.novoco.com/atom/169786

2. We have continued to invest in our platform: (1) we hired new staff and rebalanced assignments so we can to process more transactions; (2) our new offerings have led to transactions we would not have otherwise seen; and (3) we have seen an increase in Green Up adoption, which yields more proceeds from underwriting projected water and energy efficiency savings, which offset some of the capital gaps.
3. We have included more LIHTC debt transactions in our K-deals, which has given access the capital markets more efficiently by tapping into increasing investor demand for K deals. This allows us to bid more aggressively for LIHTC debt transactions and offset a substantial portion of the treasury spread increases while still distributing nearly all of the risk to private investors.
4. We have successfully marketed several ML securitizations, which, like our K-deals, have enabled us to access the capital markets more efficiently. This, in turn, allows us to bid more aggressively for LIHTC Tax-Exempt Loan transactions and offset a substantial portion of the treasury spread increases and declining LIHTC equity pricing and distribute nearly all of the risk to private investors.

SELF-ASSESSMENT RATING OF PROGRESS:

Select the category that best describes progress on this objective for the reporting period.

☒ On-target to meet or exceed the objective
☐ Progress delayed and/or partial completion of the objective expected
☐ Unlikely to achieve any milestones of the objective

ADDITIONAL INFORMATION (IF APPLICABLE):

N/A