

Exhibit E:  
**Annual Loan Purchase Narrative Reporting Template**

FREDDIE MAC  
 AFFORDABLE HOUSING PRESERVATION  
 2022  
 PURCHASE

**ACTIVITY:**

6 - Comparable State and Local Affordable Housing Programs: Statutory Activity

**OBJECTIVE:**

A – Purchase Loans with State and Local Programs

**INFEASIBILITY:**

Check here if the Enterprise is submitting an infeasibility request for the objective.

*If applicable, provide a concise summary of the underserved market conditions or other extenuating circumstances outside of the Enterprise’s control that substantially interfered with accomplishment of the objective.*

**SUMMARY OF RESULTS:**

*Provide a concise summary of the actions undertaken under this objective.*

*Include in the summary a list of any actions or deliverables specified in the objective that were not completed, or actions or deliverables that deviated from the Plan.*

Freddie Mac redoubled its efforts to support properties with state and local subsidies in 2022. We exceeded our unit goal by more than 36%, supporting 59,816 units, which is well above the 44,000-unit goal. Surpassing this goal in a shrinking originations market marked by rising interest rates and capital markets volatility demonstrates our clear focus on working with states and localities to provide liquidity that supports affordable housing creation and preservation.

In 2022, our efforts included an exploration of actionable steps to help finance more permanent supportive housing and public housing properties that are undergoing rehabilitation through the Rental Assistance Demonstration (RAD) program or HUD’s Section 18 program. Freddie Mac has developed a deep partnership with the New York City Housing Authority (NYCHA) and the Housing Development Corporation (HDC) to continue to transform public housing in NYC to private housing via RAD programs. Our marketing and spotlighting of these and other successful transactions over an extended period has resulted in outreach from other jurisdictions, which have engaged with us to determine how we can support their transactions. In total, Freddie Mac provided financing for 21 RAD properties, including 16 that benefit from state and local affordable housing programs.

To support our objective, we worked hand-in-hand with our lender network, local program administrators, and key market participants. The wide variation between public programs across jurisdictions requires continual outreach to market stakeholders. This work allows us to identify new opportunities and efficiently complete transactions that support affordable housing.

<i>Objective’s components detailed in the Plan</i>	<i>Corresponding actions or deliverables</i>	<i>Any deviations from the Plan (if applicable)</i>
44,000 units	59,816 units	N/A

**SELF-ASSESSMENT RATING OF PROGRESS:**

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

- Target met
- Target exceeded
- Objective partially completed
  - No milestones achieved

**IMPACT:**

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

- 50 – Very Large 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 the actions or deliverables under this objective impactful in addressing the applicable underserved market's needs, or in laying the foundation for future impact in addressing the underserved market's needs?

State and local programs and tax credit are vital to the creation and preservation of affordable housing that supports vulnerable renter populations. Freddie Mac's purchase of loans that support the debt side of transactions benefiting from these subsidies is essential.

In the face of a heightened affordability crisis, Freddie Mac sharpened its efforts to support this market, exceeding our unit goal for 2022 by more than 36%, supporting 59,816 units, which is well above the 44,000-unit goal. These transactions support housing for some of the nation's most vulnerable populations as evidenced by the transactions described below:

- Freddie Mac supported financing for the preservation of PACT Harlem River I and II (Harlem River Houses I and II), which is a 693-unit housing complex located in Harlem, New York. This effort blended HUD's Section 18 and the Rental Assistance Demonstration (RAD) program to fund the acquisition, rehabilitation, and recapitalization of 693 units, all of which are rent and income restricted. This transaction will add 614 units to State and Local programs, which are Section 8 eligible. The sponsor is Permanent Affordability Commitment Together (PACT), which is a partnership between the New York City Housing Authority (NYCHA), residents, development teams, and community and housing advocates. The redevelopment of the property is part of New York City's comprehensive plan to preserve public housing.
- Freddie Mac financed a Bridge-to-Tax-Exempt Loan (TEL) which allows for the rehabilitation of Columbia Heights Village Apartments. The Washington, D.C. property is a 406-unit high-rise and garden-style apartment complex that benefits from a Section 8 Project-Based Housing Assistance Payments (HAP) contract. The sponsor and guarantor is the NHP Foundation, a New York City-based not-for-profit real estate organization dedicated to preserving and creating sustainable, service-enriched multifamily housing that is both affordable to low-and-moderate income families and seniors, and also beneficial to communities.

2. What did the Enterprise learn from its work about the nature of the underserved market's needs and how to address them?

Freddie Mac's purchase of loans with state and local programs provides critical support to the housing market for low- and moderate-income renters and vulnerable renters. Through our work in this market, we recognized the

growing need to combine major public subsidies such as Section 8 with state and local programs to close capital shortages. In 2022, over 81% loans we purchased for Section 8 properties were paired with state and local programs. Our work to streamline our regulatory agreement analysis and refine our standard subordination agreement enabled us to work as efficiently as possible with localities and agencies programmatically and on individual transactions.

3. **Optional**: If applicable, why was the Enterprise unable to achieve the Plan target?