



News Release

FHFA ANNOUNCES 2019 MULTIFAMILY LENDING CAPS FOR FANNIE MAE AND FREDDIE MAC

FOR IMMEDIATE RELEASE

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Washington, D.C. – The Federal Housing Finance Agency (FHFA) today announced that the 2019 multifamily lending caps for Fannie Mae and Freddie Mac (the Enterprises) will be \$35 billion for each Enterprise, unchanged from the 2018 caps. The caps are based on FHFA’s projections of the overall size of the 2019 multifamily originations market, which FHFA expects to be relatively flat compared to the market in 2018. In setting the caps, FHFA also considers multifamily market estimates developed by industry participants and analysts.

As in prior years, FHFA will review its estimates of the multifamily loan origination market size on a quarterly basis, including consultation with industry stakeholders and the Enterprises, and will adjust the caps if necessary. To prevent disruption in the market, if FHFA determines that the actual size of the 2019 market is smaller than was initially projected it will not reduce the caps, however.

FHFA announced the 2019 caps today to maintain continuity in the multifamily market and to provide all stakeholders adequate time to plan for their 2019 business. FHFA’s 2019 Scorecard will provide additional information on the role FHFA expects the Enterprises to play in the multifamily market.

The multifamily lending caps are intended to further FHFA’s strategic goal that the Enterprises provide liquidity for the multifamily market without impeding the participation of private capital. Because market support for affordable multifamily housing has historically been limited, FHFA will continue to exclude from the 2019 caps certain loans in the affordable and underserved market segments. For 2019, FHFA is making the following changes to these excluded categories:

- **Loans to finance energy or water efficiency improvements:** FHFA is increasing the requirements for exclusion from the multifamily cap loans that finance energy or water efficiency improvements through Fannie Mae’s Green Rewards and Freddie Mac’s Green Up/Green Up Plus programs. To qualify for exclusion from the cap, multifamily loans that finance energy or water efficiency improvements must project a minimum 30 percent reduction in whole property energy and water consumption and a minimum of 15 percent of the reduction must be in energy consumption. FHFA is also adding a data collection requirement for all excluded Green Rewards and Green Up/Green Up Plus loans, which requires engagement of a third-party data collection firm prior to closing. The

