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Treasury Floor Changes for Certain TAH Products

As announced May 2, in response to elevated Treasury rate volatility, Freddie Mac made a temporary change to the calculation of the Treasury floor for certain Targeted Affordable Housing (TAH) executions. Since then, the 10-year Treasury has dropped about 100 bps. Borrowers look to Freddie Mac to provide certainty of execution by holding spread and offering the ability to Index Lock. We hope this temporary Treasury floor change created even more certainty during this volatile year given the rapid rate decrease.

Today, Freddie Mac will be reverting the Treasury floor calculation back to 35 bps below the current Treasury rate for [9% LIHTC Loans](#) (forwards and immediates) and [Non-LIHTC Forwards](#). This change will become effective on new quotes issued starting Friday, September 20 and will be memorialized in our standard hard quote forms.

We will continue to apply a Treasury floor 50 bps below the current Treasury rate for [Tax-Exempt Loans](#) (forwards and immediates). This approach should

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be considered temporary and periodically, we will evaluate reverting back between now and the end of 2024.

Finishing the Year Strong

The selling season will be coming to a close before we know it! We have about three weeks to quote and take deals under application with the possibility to close in 2024. We're determined to finish the year strong so send us your deals as soon as you can!

Please review your **forward conversions** expected in 2024 and ensure they are accurately represented and discussed on pipeline calls. Make sure to contact your Freddie Mac relationship manager about any delayed conversions that will require an extension.

Making an Impact in Rural Communities

Affordable housing, along with economic opportunity, is key to the future of rural communities. We help [finance USDA Section 515 rental properties](#) in rural areas — for very low- to moderate-income families, the elderly and people with disabilities.

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Many of these properties are in need of recapitalization and preservation — with new first mortgage debt in front of USDA 515 loans.

Our [Tax-Exempt Loan](#) and [Cash Loan for Affordable Housing Preservation](#) can help preserve this vital, at-risk housing stock. Nearly one-third of rural and small-town renters live below the poverty level. And one in four rural renters spends more than 50% of their income on housing.

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