vi. For 2020, reflecting a 2 percent increase in the CPI–U that was reported on the preceding June 1, a covered transaction is not a qualified mortgage unless the transaction's total points and fees do not exceed:

A. For a loan amount greater than or equal to $109,898: 3 percent of the total loan amount;

B. For a loan amount greater than or equal to $65,939 but less than $109,898: $3,297;

C. For a loan amount greater than or equal to $21,980 but less than $65,939: 5 percent of the total loan amount;

D. For a loan amount greater than or equal to $13,737 but less than $21,980: $1,099;

E. For a loan amount less than $13,737: 8 percent of the total loan amount.

vii. For 2021, reflecting a 0.3 percent increase in the CPI–U that was reported on the preceding June 1, a covered transaction is not a qualified mortgage unless the transaction's total points and fees do not exceed:

A. For a loan amount greater than or equal to $110,260: 3 percent of the total loan amount;

B. For a loan amount greater than or equal to $66,156 but less than $110,260: $3,308;

C. For a loan amount greater than or equal to $22,052 but less than $66,156: 5 percent of the total loan amount;

D. For a loan amount greater than or equal to $13,783 but less than $22,052: $1,103;

E. For a loan amount less than $13,783: 8 percent of the total loan amount.

viii. For 2022, reflecting a 4.2 percent increase in the CPI–U that was reported on the preceding June 1, a covered transaction is not a qualified mortgage unless the transaction's total points and fees do not exceed:

A. For a loan amount greater than or equal to $114,847: 3 percent of the total loan amount;

B. For a loan amount greater than or equal to $68,908 but less than $114,847: $3,445;

C. For a loan amount greater than or equal to $22,969 but less than $68,908: 5 percent of the total loan amount;

D. For a loan amount greater than or equal to $14,356 but less than $22,969: $1,148;

E. For a loan amount less than $14,356: 8 percent of the total loan amount.

ix. For 2023, reflecting an 8.3 percent increase in the CPI–U that was reported on the preceding June 1, a covered transaction is not a qualified mortgage unless the transaction's total points and fees do not exceed:

A. For a loan amount greater than or equal to $124,331: 3 percent of the total loan amount;

B. For a loan amount greater than or equal to $74,599 but less than $124,331: $3,730;

C. For a loan amount greater than or equal to $24,866 but less than $74,599: 5 percent of the total loan amount;

D. For a loan amount greater than or equal to $15,541 but less than $24,866: $1,243;

E. For a loan amount less than $15,541: 8 percent of the total loan amount.

* * * * *

Laura Galban,

Federal Register Liaison, Consumer Financial Protection Bureau.

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FEDERAL HOUSING FINANCE AGENCY

12 CFR Part 1282

RIN 2590–AB21

2023–2024 Multifamily Enterprise Housing Goals

AGENCY: Federal Housing Finance Agency.

ACTION: Final rule.

SUMMARY: The Federal Housing Finance Agency (FHFA or the Agency) is issuing a final rule on the multifamily housing goals for Fannie Mae and Freddie Mac (the Enterprises) for 2023 and 2024. The Federal Housing Enterprises Financial Safety and Soundness Act of 1992 (the Safety and Soundness Act) requires FHFA to establish annual housing goals for mortgages purchased by the Enterprises. Under FHFA's existing housing goals regulation, the multifamily housing goals for the Enterprises include benchmark levels through the end of 2022 based on the total number of affordable units in multifamily properties financed by mortgage loans purchased by the Enterprise each year. This final rule amends the regulation to establish benchmark levels for the multifamily housing goals for 2023 and 2024 based on a new methodology—the percentage of affordable units in multifamily properties financed by mortgages purchased by the Enterprise each year.

DATES: The final rule is effective on February 21, 2023.

FOR FURTHER INFORMATION CONTACT: Ted Wartell, Associate Director, Housing & Community Investment, Division of Housing Mission and Goals, (202) 649–3157, *Ted.Wartell@fhfa.gov;* Padmasini Raman, Supervisory Policy Analyst, Housing & Community Investment, Division of Housing Mission and Goals, (202) 649–3633, *Padmasini.Raman@fhfa.gov;* Kevin Sheehan, Associate General Counsel, Office of General Counsel, (202) 649–3086, *Kevin.Sheehan@fhfa.gov.* These are not toll-free numbers. The mailing address is: Federal Housing Finance Agency, 400 Seventh Street SW, Washington, DC 20219. For TTY/TRS users with hearing and speech disabilities, dial 711 and ask to be connected to any of the contact numbers above.

SUPPLEMENTARY INFORMATION:

I. Background

A. Statutory and Regulatory Background for the Housing Goals

The Safety and Soundness Act requires FHFA to establish several annual housing goals for both single-family and multifamily mortgages purchased by the Enterprises.[1] The achievement of the annual housing goals is one measure of the extent to which the Enterprises are meeting their public purposes, which include ''an affirmative obligation to facilitate the financing of affordable housing for low- and moderate-income families in a manner consistent with their overall public purposes, while maintaining a strong financial condition and a reasonable economic return.'' [2]

Since 2010, FHFA has established annual housing goals for Enterprise purchases of both single-family and multifamily mortgages by rulemaking, consistent with the requirements of the Safety and Soundness Act. FHFA's most recent final rule amending the housing goals regulation was issued in December 2021 and established benchmark levels for the single-family housing goals for 2022 through 2024 and benchmark levels for the multifamily housing goals for 2022 only.[3] On August 18, 2022, FHFA issued a proposed rule that proposed a new methodology and benchmark levels for the multifamily housing goals for 2023 and 2024.[4]

B. Adjusting the Housing Goals

If, after publication of the final rule establishing the multifamily housing goals for 2023 and 2024, FHFA determines that any of the multifamily housing goals or subgoals should be adjusted in light of market conditions to ensure the safety and soundness of the Enterprises, or for any other reason,

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[1] *See* 12 U.S.C. 4561(a).

[2] *See* 12 U.S.C. 4501(7).

[3] *See* 86 FR 73641 (December 28, 2021).

[4] *See* 87 FR 50794 (August 18, 2022).

FHFA will take any steps that are necessary and appropriate to adjust the goal(s) such as reducing the benchmark level(s) through the processes in the existing regulation.

FHFA may also take other actions consistent with the Safety and Soundness Act and the Enterprise housing goals regulation based on new information or developments that occur after publication of the final rule. For example, under the Safety and Soundness Act and the Enterprise housing goals regulation, FHFA may reduce the benchmark levels in response to an Enterprise petition for any of the single-family or multifamily housing goals or subgoals in a particular year based on a determination by FHFA that: (1) market and economic conditions or the financial condition of the Enterprise require a reduction; or (2) efforts to meet the goal or subgoal would result in the constraint of liquidity, over-investment in certain market segments, or other consequences contrary to the intent of the Safety and Soundness Act or the purposes of the Enterprises' charter acts.[5]

The Safety and Soundness Act and the Enterprise housing goals regulation also take into consideration the possibility that achievement of a particular housing goal or subgoal may or may not have been feasible for an Enterprise to achieve. If FHFA determines that a housing goal or subgoal was not feasible for an Enterprise to achieve, then the statute and regulation provide for no further enforcement of that housing goal or subgoal for that year.[6] If FHFA determines that an Enterprise failed to meet a housing goal or subgoal and that achievement of the housing goal or subgoal was feasible, then the statute and regulation provide FHFA with discretionary authority to require the Enterprise to submit a housing plan describing the specific actions the Enterprise will take to improve its housing goals or subgoals performance.

The actions described in this section provide FHFA some flexibility to respond to new information or developments that occur after publication of the final rule. As proposed, the new methodology for establishing the benchmarks in the final rule sets the levels as a percentage of goal-eligible units backing mortgages acquired by each Enterprise,[7] which could reduce the likelihood that FHFA will be required to modify the benchmark levels in response to unexpected market developments after publication of the final rule.

C. Housing Goals Under Conservatorship

On September 6, 2008, FHFA placed each Enterprise into conservatorship. Although the Enterprises remain in conservatorship at this time, they continue to have the mission of supporting a stable and liquid national market for residential mortgage financing. FHFA has continued to establish annual housing goals for the Enterprises and to assess their performance under the housing goals each year during conservatorship.

II. Discussion of Proposed Rule and Public Comments

FHFA published a Notice of Proposed Rulemaking (NPRM or proposed rule) in the **Federal Register** on August 18, 2022, that proposed a new methodology for measuring the Enterprise multifamily housing goals. Rather than measuring the multifamily housing goals based on an absolute number of affordable units in multifamily properties financed by mortgages purchased by the Enterprises, FHFA proposed using percentages of affordable units in multifamily properties financed by mortgages purchased by the Enterprises. The NPRM also proposed specific benchmark levels for each of the multifamily housing goals. The public comment period for the proposed rule ended on October 17, 2022.

Overview. FHFA received 77 comment letters from organizations and members of the public in response to the proposed rule. Comment letters were submitted by both Fannie Mae and Freddie Mac, as well as nonprofit organizations, policy advocacy organizations, and trade associations representing lenders, homebuilders, and other mortgage market participants. FHFA received one joint letter from two policy organizations focused on renters and one letter signed by 35 housing and community development organizations. FHFA also received 64 comment letters from members of the public and organizations which were part of a letter-writing campaign concerned about the high cost of rent and the lack of tenant protections.

FHFA has reviewed and considered all of the comment letters received in response to the NPRM. A number of those letters raised issues that are unrelated to the housing goals or are beyond the scope of the proposed rule. As a result, those issues are not addressed in this final rule. Specific provisions of the proposal and comments received in response to those provisions are discussed below.

Change in methodology for measuring the multifamily goals. Although not all of the comment letters received in response to the NPRM addressed the proposed change in methodology, those that did supported the proposed change. The Enterprises, trade organizations, policy advocacy organizations, and one member of the supported the proposed methodology change, stating that it would be more responsive to market conditions, offer flexibility for the Enterprises, and enable the Enterprises to maintain a focus on affordability while facilitating their ability to provide necessary liquidity.

Although not opposed to the proposed change, a trade association representing homebuilders stressed the importance of preserving the Enterprises' countercyclical role and expressed concern that the proposed methodology could potentially result in a decline in the absolute number of affordable units acquired by each Enterprise.

The Safety and Soundness Act provides that the Director shall, by regulation, establish a single annual goal, by either unit or dollar volume, of purchases by each Enterprise of mortgages on multifamily housing that finance dwelling units affordable to low-income families.[8] FHFA has established the multifamily housing goals based on a specific number of units each year since 2010. However, the volume of Enterprise multifamily purchases has varied considerably from year to year due to a variety of market and economic conditions. Changing to a percentage-based methodology will better reflect the market and economic conditions the Enterprises encounter in acquiring mortgages. Percentage-based multifamily goals will require that the Enterprises continue to support the affordable segment of the market in years where their multifamily mortgage acquisitions increase, while ensuring

[5] *See* 12 CFR 1282.14(d).

[6] *See* 12 CFR 1282.21(a); 12 U.S.C. 4566(b).

[7] In this final rule, "goal-eligible units" is used as a synonym for "denominator," to refer to all dwelling units that are financed by mortgage purchases that could be counted for purposes of the multifamily housing goals and subgoals. The counting rules in 12 CFR 1282.16(b) exclude certain types of mortgages from eligibility for housing goals credit, such as multifamily mortgages with Federal guarantees and subordinate lien multifamily mortgages. Such loans are not included in the denominator. "Goal-qualifying units" is used as a synonym for "numerator," to refer to the goal-eligible units that meet the respective affordability requirements of each multifamily goal. For example, low-income units are affordable to families with incomes less than or equal to 80 percent of area median income (AMI) and very low-income units are affordable to families with incomes less than or equal to 50 percent of AMI.

[8] *See* 12 U.S.C. 4563(a).

that the goals remain feasible in years where the Enterprise multifamily mortgage acquisitions are lower.

FHFA notes that setting the multifamily goal benchmark levels as the percentage share of all goal-eligible units backing mortgages acquired by the Enterprise that are affordable units is consistent with the statutory requirement that the multifamily housing goal be based on unit or dollar volume. While the Safety and Soundness Act defines the single-family housing goals and multifamily housing goals using different terms, the difference is focused on the single-family housing goals being based on mortgages and the multifamily housing goals being based on units or dollar volume. FHFA does not interpret the difference between the single-family and multifamily housing goals to prohibit using percentages for the multifamily housing goals. Setting the multifamily housing goals as a minimum percentage also aligns the multifamily goals more closely with the statutory factors that FHFA is required to consider in setting the multifamily housing goals. Those factors include consideration of national multifamily mortgage credit needs and the size of the multifamily mortgage market for housing affordable to low-income and very low-income families. Because market conditions can change significantly each year, it is difficult to identify in advance a specific number of units for the multifamily housing goals that would be ambitious yet feasible for the Enterprises. Percentage-based multifamily housing goals address this difficulty and are intended to ensure the Enterprises appropriately support the housing finance market while fulfilling their affordable housing mission requirements each year.

Therefore, FHFA is adopting as final the percentage-based methodology for measuring the multifamily goals as set forth in the proposed rule. The new methodology will not affect FHFA's ability to track, report, and verify data on multifamily units backing mortgages purchased by the Enterprises, including data on affordable units by income level. FHFA will continue to closely monitor Enterprise performance on the multifamily housing goals and trends in the multifamily market in general.

Multifamily benchmark levels. Both Enterprises and groups representing bankers, mortgage bankers, and lenders expressed support for the proposed benchmark levels for all three of the multifamily housing goals. However, a trade association representing homebuilders, a policy advocacy organization representing housing finance agencies, and 35 housing and community development nonprofits urged FHFA to raise the proposed benchmark levels to be in line with, or higher than, the Enterprises' recent performance. A policy advocacy organization maintained that the proposed benchmark levels should be higher given the tremendous demand for affordable housing and the need to ensure that the Enterprises fulfill their countercyclical role during economic downturns. This commenter further argued that higher benchmark levels would better align with FHFA's recent focus on increasing Enterprise support for affordable housing. One comment letter, endorsed by 35 housing and community development organizations, supported the change in methodology but recommended setting the benchmark levels above recent Enterprise performance. Section IV below provides additional detail on the benchmark levels set in this final rule.

Conservatorship Scorecard Cap. Comment letters from Fannie Mae, a trade organization representing mortgage bankers, and two policy advocacy organizations representing renters discussed the interaction between the multifamily benchmark levels and the Conservatorship Scorecard Cap. Although some comments were beyond the scope of the proposed rule, FHFA took the comments into consideration in finalizing the Conservatorship Scorecard Cap for 2023.[9] FHFA notes that the methodology adopted in the final rule for measuring the multifamily housing goals sets the goals as percentages rather than number of units and was designed to better harmonize the requirements of the housing goals and the Conservatorship Scorecard Cap, which is one of the objectives discussed by these organizations.

Multifamily data. Two policy advocacy organizations representing renters requested that FHFA study and publish findings on various issues related to the multifamily market. FHFA notes that both the Enterprises and the Agency regularly publish performance data on the Enterprises' multifamily acquisitions, including in the Annual Housing Activities Reports and Annual Mortgage Reports produced by the Enterprises in March each year, the Annual Housing Report published by FHFA in October each year, and in FHFA's preliminary and final determination letters on the Enterprises' annual housing goals performance, all of which are posted to the FHFA website. However, FHFA plans to continue to identify ways to improve and enhance its ability to share multifamily research and analysis with the public.

Other issues. A number of commenters raised concerns that went beyond the scope of the proposed rule. For example, FHFA received numerous comments focused on a variety of renter issues and concerns. One comment letter signed by 35 housing and community development organizations urged FHFA to consider ways to address issues such as displacement and substandard living conditions for low-income tenants and tenants of color. The comment letter provided recommendations for underwriting, tracking, and evaluating the affordability of rental units, as well as holding landlords accountable for the needs of their tenants. FHFA notes in regard to this comment that the Safety and Soundness Act requires FHFA to determine affordability for purposes of the housing goals based on whether the rent level is at or below 30 percent of the maximum income level for the relevant category, adjusted for unit size.[10] FHFA also received 64 comment letters from members of the public and organizations concerned about the high cost of rent and the lack of tenant protections for renters. The comment letters were submitted as part of a letter-writing campaign organized by an advocacy group. The commenters cited the tenant protections that were offered during the COVID–19 pandemic as part of the Enterprise forbearance programs as positive actions taken by FHFA. These letters specifically urged FHFA to regulate rents for all federally-backed mortgages in order to support sustainable, affordable housing. FHFA recognizes the significant issues that families face in finding affordable rental housing and in remaining secure in the face of economic uncertainty. Section IV below includes additional discussion of these affordability challenges. FHFA also has met with stakeholders to discuss these issues and will continue working to identify ways that FHFA and the Enterprises can support renters across the country.

III. Summary of the Final Rule

The Safety and Soundness Act requires FHFA to establish annual multifamily housing goals for purchases by each Enterprise of mortgages on multifamily housing that finance dwelling units affordable to low-income and very low-income families. In accordance with the Safety and

[9] *See https://www.fhfa.gov/Media/PublicAffairs/Pages/2023-Multifamily-Caps-for-Fannie-Mae-and-Freddie-Mac.aspx.*

[10] *See* 12 U.S.C. 4563(c).

Soundness Act, the final rule establishes the multifamily housing goals for 2023 and 2024 based on the percentage of affordable units in multifamily properties financed by mortgages purchased by the Enterprise.

The final rule establishes the benchmark levels for the multifamily goal and subgoals for 2023 and 2024 as follows:

Goal	Criteria	Final benchmark level for 2023 and 2024 (%)
Low-Income Goal	Percent of all goal-eligible units in multifamily properties financed by mortgages purchased by the Enterprises in that year that are affordable to low-income families, defined as families with incomes less than or equal to 80 percent of area median income (AMI).	61
Very Low-Income Subgoal.	Percent of all goal-eligible units in multifamily properties financed by mortgages purchased by the Enterprises in that year that are affordable to very low-income families, defined as families with incomes less than or equal to 50 percent of AMI.	12
Small Multifamily Low-Income Subgoal.	Percent of all goal-eligible units in all multifamily properties financed by mortgages purchased by the Enterprises in that year that are units in small multifamily properties affordable to low-income families, defined as families with incomes less than or equal to 80 percent of AMI.	2.5

The final rule does not make any changes to the requirements for determining which multifamily mortgage purchases are counted, or not counted, as those requirements continue to be defined in the existing housing goals regulation. The Enterprises will continue to report on the number of multifamily units acquired each year, including data on units that are affordable to low-income households, very low-income households, and low-income households in small multifamily properties. The Enterprise housing goals regulation defines a small multifamily property as a property with 5 to 50 units. In order to meet each of the multifamily goals, each Enterprise will be required to ensure that the percentage of units that are affordable meets or exceeds the applicable benchmark level.

While the final rule does not change the requirements for determining which multifamily mortgages are eligible to be counted towards the goals, the final rule makes technical revisions to § 1282.15 to reflect the new methodology. As in the proposed rule, the final rule revises § 1282.15(c) to express the percentage of affordable units in multifamily properties financed by mortgages purchased by the Enterprises in terms of a defined numerator and denominator. As revised, § 1282.15(c) mirrors the description of the single-family housing goals that currently exists in § 1282.15(a), which already measures the single-family housing goals as percentages. FHFA did not receive comments on these specific revisions in the proposed rule.

In addition, as in the proposed rule, the final rule amends § 1282.15(e)(3) to clarify the treatment of rental units with missing affordability information. Under the existing regulation, an Enterprise is permitted to estimate the affordability of such units, up to a maximum of 5 percent of the total number of rental units in properties securing multifamily mortgages purchased by the Enterprise in the current year. Rental units with missing affordability information are not counted for purposes of the multifamily housing goals to the extent that the number of such units exceeds the nationwide maximum of 5 percent. Rental units also are excluded if it is not possible to estimate the affordability of such units. The final rule clarifies that under the new methodology, any units with missing affordability information in excess of the 5 percent nationwide maximum will be excluded from the numerator of the multifamily goals but will be included in the denominator. This treatment is consistent with the objective to encourage the Enterprises to obtain affordability information whenever possible. The final rule excludes rental units with missing affordability information from both the numerator and the denominator if it is not possible to estimate the affordability of such units. This treatment reflects the fact that the availability of information needed to estimate affordability is outside the Enterprises' control.

IV. Multifamily Housing Goals

A. Factors Considered for the Final Multifamily Housing Goals Benchmark Levels

In establishing benchmark levels for the multifamily housing goals for 2023 and 2024, FHFA has considered the statutory factors set forth in section 1333(a)(4) of the Safety and Soundness Act. The statutory factors are:

1. National multifamily mortgage credit needs and the ability of the Enterprises to provide additional liquidity and stability for the multifamily mortgage market;
2. The performance and effort of the Enterprises in making mortgage credit available for multifamily housing in previous years;
3. The size of the multifamily mortgage market for housing affordable to low-income and very low-income families, including the size of the multifamily markets for housing of a smaller or limited size;
4. The ability of the Enterprises to lead the market in making multifamily mortgage credit available, especially for multifamily housing affordable to low-income and very low-income families;
5. The availability of public subsidies; and
6. The need to maintain the sound financial condition of the Enterprises.[11]

FHFA considered each of these required statutory factors in setting the benchmark levels for the multifamily housing goals. The analysis below describes trends in the overall multifamily mortgage market as they apply to setting the final benchmark levels. Additional analyses of the trends in the overall multifamily mortgage market can be found in the proposed rule.[12]

Overall economic outlook. Many factors impact the affordable housing market as a whole, and changes to any one of them could significantly affect the ability of the Enterprises to meet the housing goals. FHFA will continue to monitor the affordable housing market and take these factors into account when considering the feasibility of the goals.

On November 2, 2022, the Federal Reserve noted that despite recent strong job gains and a low unemployment rate,

[11] *See* 12 U.S.C. 4563(a)(4).

[12] *See* 87 FR 50794 (August 18, 2022).

inflation remains elevated.[13] The Federal Reserve noted that the invasion of Ukraine by Russia and related events are causing additional upward pressure on inflation and affecting global economic activity. In an effort to achieve maximum employment and inflation of 2 percent in the long run, the Federal Open Market Committee (FOMC) raised its target range for the federal funds rate to 3.75 percent to 4 percent, with plans to increase the target range further as appropriate until its goals are achieved.[14]

Interest rates are very important determinants of mortgage market trajectory. Moody's November 2022 consensus forecast projects that 30-year fixed-rate mortgage interest rates will rise from an annual average rate of 3.0 percent in 2021 to 5.4 percent in 2022, then rise even further to 6.4 percent in 2023, before declining to 5.4 percent in 2024.[15] As of December 1, 2022, the weekly average rate for a 30-year fixed-rate mortgage was 6.49 percent.[16] Moody's forecast also projects that the unemployment rate will rise from 3.7 percent in 2022 to 4.3 percent in 2023, and to 4.5 percent in 2024. In addition, Moody's projects a slight decline in per capita disposable nominal income from $56,100 in 2021 to $55,800 in 2022, before rising to $61,300 by 2024. Furthermore, Moody's forecast estimates that the annual average inflation rate will decline from a projected 40-year high of 8.1 percent in 2022 to 2.5 percent in 2024. The year-over-year inflation rate for October 2022 was 7.7 percent.[17]

TABLE 1—HISTORICAL AND PROJECTED TRENDS OF KEY MACROECONOMIC VARIABLES

	Household trends						Projected trends		
	2016	2017	2018	2019	2020	2021	2022	2023	2024
Real GDP Growth Rate	1.7	2.2	2.9	2.3	−2.8	5.9	1.8	0.4	1.4
Unemployment Rate	4.9	4.4	3.9	3.7	8.1	5.4	3.7	4.3	4.5
Labor Force Participation Rate	62.8	62.8	62.9	63.1	61.8	61.7	62.3	62.6	62.7
Inflation Rate (Change in CPI)	1.3	2.1	2.4	1.8	1.2	4.7	8.1	3.9	2.5
Consumer Confidence Index	99.8	120.3	130.2	128.3	101.0	112.7	104.2	107.7	112.9
30-Year Mortgage Fixed Rate	3.6	4.0	4.5	3.9	3.1	3.0	5.4	6.4	5.4
Per Capital Disposable Income (1,000s $)	$43.6	$45.3	$47.5	$49.6	$53.0	$56.1	$55.8	$58.9	$61.3

Note: Historical values and projected trends are provided by Moody's Analytics.

Multifamily mortgage market. FHFA's consideration of the multifamily mortgage market addresses the size of and competition within the market, as well as the subset of the market that is affordable to low-income and very low-income renters. In October 2022, the Mortgage Bankers Association (MBA) forecast that multifamily mortgage originations would decline by 7 percent from the 2021 record of $487 billion to $455 billion in 2022, then to $451 billion in 2023.[18] However, the MBA also noted that while this forecast is based on their baseline economic forecast, the outlook is currently uncertain and further declines in multifamily mortgage originations could not be ruled out.[19]

Affordability in the multifamily mortgage market. In October 2022, the Urban Institute stated that the affordable housing market had changed dramatically in the past year, with both rents and home prices rising more than 13 percent and interest rates more than doubling relative to a year earlier.[20] The Joint Center for Housing Studies of Harvard University's (JCHS) *State of the Nation's Housing Report 2022* found that year-over-year rent growth in the professionally managed segment of the apartment market surged to a record 11.6 percent at the end of 2021, and stayed high at the beginning of 2022.[21] In comparison, the average annual rent increase in the pre-pandemic years of 2015–2019 was 3.2 percent.[22]

The Safety and Soundness Act requires FHFA to determine affordability for purposes of the Enterprise housing goals based on a family's rent and utility expenses not exceeding 30 percent of AMI.[23] The JCHS Report describes the growing presence of cost-burdened renters, particularly among low-income and very low-income households.[24] A household is considered cost-burdened if they are spending more than 30 percent of their income on housing, or severely cost-burdened if they are spending more than 50 percent of their income on housing. The Report shows that the share of cost-burdened renters across all income segments rose from 43.6 percent in 2019 to 46.2 percent in 2020.[25] The Report also shows that 82.6 percent of renters earning less than $15,000 and 77.9 percent of renters earning between $15,000 and $29,999 were cost-burdened in 2020. The share of cost-burdened renters earning between $30,000 and $44,999 increased the most, rising approximately 9.0 percent—from 49.2 percent in 2019 to 58.3 percent in 2020.[26]

The JCHS Report also notes the significant rise in new rental supply. The Report notes that in 2021, multifamily starts reached 474,000 units, the highest since the mid-1980s,

[13] *See https://www.federalreserve.gov/newsevents/pressreleases/monetary20221102a.htm.*

[14] Ibid.

[15] The macroeconomic outlook described herein is based on Moody's consensus forecast as of November 2022.

[16] *See https://www.freddiemac.com/pmms/docs/historicalweeklydata.xls.*

[17] *See https://data.bls.gov/timeseries/CUUR0000SA0&output_view=pct_12mths.*

[18] *See https://www.mba.org/news-and-research/newsroom/news/2022/10/03/commercial-multifamily-lending-expected-to-fall-in-2022-due-to-ongoing-economic-uncertainty.*

[19] Ibid.

[20] *See* "Mom-and-Pop Landlords Are Raising Rents, Albeit Less Than Market Rates, Leaving Renters with Few Places to Turn," Urban Institute, October 2022, p.1, available at *https://www.urban.org/urban-wire/mom-and-pop-landlords-are-raising-rents-albeit-less-market-rates-leaving-renters-few.*

[21] *See* "The State of the Nation's Housing 2022," Joint Center for Housing Studies of Harvard University, June 2022, p.30, available at *https://www.jchs.harvard.edu/sites/default/files/reports/files/Harvard_JCHS_State_Nations_Housing_2022.pdf.*

[22] Ibid.

[23] *See* 12 U.S.C. 4563(c).

[24] *See* "The State of the Nation's Housing 2022," Joint Center for Housing Studies of Harvard University, June 2022, p.8, available at *https://www.jchs.harvard.edu/sites/default/files/reports/files/Harvard_JCHS_State_Nations_Housing_2022.pdf.*

[25] *See* "The State of the Nation's Housing 2022: Appendix and Web Tables," Joint Center for Housing Studies of Harvard University, June 2022, Table W–2, available at *https://www.jchs.harvard.edu/sites/default/files/interactive-item/files/Harvard_JCHS_State_Nations_Housing_2022_Appendix_Tables_0.xlsx.*

[26] Ibid.

94 percent of which were intended for the rental market.[27] The first quarter of 2022 saw starts totaling 124,000 units, the highest first quarter since 1986, with 91 percent of those units intended for the rental market.[28]

While the addition of these units is expected to temper rent growth, the JCHS Report notes that these units are primarily targeted at the upper end of the market, with rents unaffordable to low-income households.[29] The Report states that the median asking rent for newly completed units in 2021 was $1,740, a 24 percent increase from 2015.[30] In addition, the share of newly completed units renting for less than $1,250 declined from 39 percent in 2015 to 15 percent in 2021, and for units renting for less than $850, from 9 percent to 2 percent for the same time period.[31]

Role of the Enterprises. In establishing the multifamily housing goal benchmark levels for 2023 and 2024, FHFA has considered the ability of the Enterprises to lead the market in making multifamily mortgage credit available. The share of the overall multifamily mortgage origination market that is purchased by the Enterprises increased in the years immediately following the financial crisis, but their share has declined more recently in response to growing private sector participation. The Enterprises' share of the multifamily mortgage origination market was over 70 percent in 2008 and 2009, compared to 36 percent in 2015.[32] The total share was at 40 percent or higher from 2016 to 2020. However, in 2021, a record multifamily volume year, the combined Enterprise share was estimated to have been around 28 percent.[33] Fannie Mae estimates that through the second quarter of 2022, Enterprise share was around 26 percent.[34] With interest rates expected to continue to rise in 2023 and 2024 and fewer multifamily originations expected (consistent with the MBA's forecast for 2023 and 2024), much uncertainty remains around the number and types of multifamily loans that may be originated in the next two years.

FHFA recognizes there are numerous Enterprise activities that impact how the Enterprises contribute to and participate in the multifamily market, including through their Duty to Serve Underserved Markets Plans, their Equitable Housing Finance Plans, and the mission-driven elements of the Conservatorship Scorecard. Together with the housing goals, these programmatic activities provide support to renter households, including lower-income families spending more than 30 percent of their income on housing. FHFA will continue to monitor the aforementioned initiatives and priorities to ensure appropriate focus by the Enterprises and compliance with the Enterprises' charter acts and safety and soundness considerations.

FHFA expects the Enterprises to continue demonstrating leadership in multifamily affordable housing lending by providing liquidity and supporting housing for tenants at different income levels in various geographic markets and in various market segments. This support should continue throughout the economic cycle, with the Enterprises providing support even as the overall volume of the multifamily mortgage market fluctuates.

Maintaining the sound financial condition of the Enterprises. In establishing multifamily housing goals benchmark levels for 2023 and 2024, FHFA must balance the role that the Enterprises play in providing liquidity and supporting various multifamily mortgage market segments with the need to maintain the Enterprises' sound and solvent financial condition. The Enterprises have served as a stabilizing force in the multifamily mortgage market. The Enterprises' portfolios of loans on multifamily affordable housing properties have experienced low levels of delinquency and default, similar to the performance of multifamily loans on market-rate properties.

FHFA continues to monitor the activities of the Enterprises in its capacity as safety and soundness regulator and as conservator. As discussed above, FHFA may take any steps it determines necessary and appropriate to address the multifamily housing goals benchmark levels to ensure the Enterprises' continued safety and soundness.

B. Final Multifamily Housing Goals Benchmark Levels

This section describes FHFA's analysis for establishing the final benchmark levels based on its consideration of the statutory factors described above and the performance of the Enterprises.

Goal	Criteria	Proposed benchmark level for 2023 and 2024 (%)	Final benchmark level for 2023 and 2024 (%)
Low-Income Goal	Percent of all goal-eligible units in multifamily properties financed by mortgages purchased by the Enterprises in that year that are affordable to low-income families, defined as families with incomes less than or equal to 80 percent of AMI.	61	61
Very Low-Income Subgoal.	Percent of all goal-eligible units in multifamily properties financed by mortgages purchased by the Enterprises in that year that are affordable to very low-income families, defined as families with incomes less than or equal to 50 percent of AMI.	12	12
Small Multifamily Low-Income Subgoal.	Percent of all goal-eligible units in all multifamily properties financed by mortgages purchased by the Enterprises in that year that are units in small multifamily properties affordable to low-income families, defined as families with incomes less than or equal to 80 percent of AMI.	2.0	2.5

[27] *See* "The State of the Nation's Housing 2022," Joint Center for Housing Studies of Harvard University, June 2022, p.33, available at *https://www.jchs.harvard.edu/sites/default/files/reports/files/Harvard_JCHS_State_Nations_Housing_2022.pdf.*

[28] Ibid.

[29] Ibid, p.34.

[30] Ibid.

[31] Ibid.

[32] *See* Fannie Mae, "Multifamily Business Information Presentation," November 2022, p.3: *https://multifamily.fanniemae.com/media/9131/display.*

[33] Ibid.

[34] Ibid.

1. Multifamily Low-Income Housing Goal

The multifamily low-income housing goal is based on the percentage of rental units in multifamily properties financed by mortgages purchased by the Enterprises in that year that are affordable to low-income families, defined as families with incomes less than or equal to 80 percent of AMI. The final rule sets the annual benchmark level for this goal for both 2023 and 2024 at 61 percent of goal-eligible units acquired. This is consistent with FHFA's analysis of the current and expected multifamily market, with fewer affordable units to support, rising price per unit, and uncertain market conditions.

Recent performance. Table 2 below shows the number of goal-qualifying low-income multifamily units in properties backing mortgages acquired by each Enterprise, as well as the goal-qualifying multifamily low-income units as a percentage of the total goal-eligible units in properties backing mortgages that were acquired in each year. Although there were numeric benchmarks historically in place for low-income multifamily units, the Enterprise performance reflected below has been well above the numeric benchmarks. FHFA notes that the Enterprises' performance in 2021 is at or below the 2020 performance, which corresponded to the onset of the COVID–19 pandemic.

TABLE 2—MULTIFAMILY LOW-INCOME HOUSING GOAL

	Performance									
Year	2015	2016	2017	2018	2019	2020	2021	2022	2023 (%)	2024 (%)
Low-Income Multifamily Benchmark	300,000	300,000	300,000	315,000	315,000	315,000	315,000	415,000	61	61
Fannie Mae Performance										
Low-Income Multifamily Units	307,510	352,368	401,145	421,813	385,763	441,773	384,488			
Total Multifamily Units *	468,798	552,785	630,868	628,230	596,137	637,696	557,152			
Low-Income % Total	65.6%	63.7%	63.6%	67.1%	64.7%	69.3%	69.0%			
Freddie Mac Performance										
Low-Income Multifamily Units	379,042	406,958	408,096	474,062	455,451	473,338	373,225			
Total Multifamily Units *	514,275	597,399	630,037	695,587	661,417	667,451	543,077			
Low-Income % of Total Units	73.7%	68.1%	64.8%	68.2%	68.9%	70.9%	68.7%			

** Refers to the total multifamily units that are eligible for housing goals.*

Proposed rule and comments. FHFA proposed setting the benchmark level for the multifamily low-income goal at 61 percent. The Enterprises and three trade associations representing bankers, mortgage bankers, and mortgage lenders expressed support for this proposed benchmark level, describing it as appropriate, realistic, attainable, and representing a strong commitment to affordability. A trade association representing home builders, two policy advocacy organizations, and a comment letter signed by 35 housing and community development organizations urged FHFA to set the benchmark level at a level closer to or higher than recent Enterprise performance. No commenters recommended lowering the proposed benchmark level.

FHFA determination. FHFA has considered the statutory factors for the multifamily housing goals, including current market conditions, the Enterprises' performance, and their role in the market. FHFA has also considered the comments received in response to the proposed multifamily low-income benchmark level. Rising interest rates are contributing to the increasing costs of acquiring low-income multifamily units, and expected continued declines in affordable originations and higher rents are also causing fewer units to qualify as affordable for low-income families, with affordability defined based on rents being less than or equal to 30 percent of the maximum income level that would qualify as low-income for the area, adjusted for unit size.[35] These challenges are expected to continue in 2023 and 2024 as more low-income families are having to pay greater than 30 percent of their incomes for rent.[36] In light of all these factors, FHFA has determined that the benchmark level for this goal should be set at 61 percent for both Enterprises for 2023 and 2024, consistent with the proposed rule.

2. Multifamily Very Low-Income Housing Subgoal

The multifamily very low-income housing subgoal is based on the percentage of rental units in multifamily properties financed by mortgages purchased by the Enterprises that are affordable to very low-income families, defined as families with incomes less than or equal to 50 percent of AMI. The final rule sets the annual benchmark level for this subgoal for 2023 and 2024 at 12 percent of goal-eligible units acquired. FHFA believes that this benchmark level is appropriate to ensure that the Enterprises continue to adequately serve very low-income families while accounting for the challenges associated with increasing interest rates, decreasing affordability in the multifamily market, and uncertain economic conditions.

Recent performance. Table 3 below shows the number of goal-qualifying very low-income multifamily units in properties backing mortgages acquired by each Enterprise, as well as goal-qualifying very low-income multifamily units as a percentage of the total goal-eligible units in properties backing mortgages that were acquired in each year. As noted in the NPRM, the recent performance of the Enterprises on the multifamily very low-income subgoal indicates that the number of goal-qualifying units in properties backing mortgages purchased by the Enterprises varies more widely from year-to-year than the percentage of goal-qualifying units. Since 2015, one Enterprise has performed at levels close to the benchmark level of 12 percent that will apply for 2023 and 2024, especially in the years prior to the pandemic. Both Enterprises have exceeded the numeric benchmark levels that were in place. However, the number of very low-income units in properties backing

[35] *See* 12 U.S.C. 4563(c).

[36] *See* ''The State of the Nation's Housing 2022,'' Joint Center for Housing Studies of Harvard University, June 2022, p.6, *available at https://www.jchs.harvard.edu/sites/default/files/reports/files/Harvard_JCHS_State_Nations_Housing_2022.pdf.*

mortgages acquired by both Enterprises was lower in 2021 compared to 2020, reflecting changing market conditions.

TABLE 3—MULTIFAMILY VERY LOW-INCOME SUBGOAL

	Performance									
Year	2015	2016	2017	2018	2019	2020	2021	2022	2023 (%)	2024 (%)
Very Low-Income Multifamily Benchmark	60,000	60,000	60,000	60,000	60,000	60,000	60,000	88,000	12	12
Fannie Mae Performance										
Very Low-Income Multifamily Units	69,078	65,910	82,674	80,891	79,649	95,416	83,459			
Total Multifamily Units*	468,798	552,785	630,868	628,230	596,137	637,696	557,152			
Very Low-Income % of Total Units	14.7%	11.9%	13.1%	12.9%	13.4%	15.0%	15.0%			
Freddie Mac Performance										
Very Low-Income Multifamily Units	76,935	73,030	92,274	105,612	112,773	107,105	87,854			
Total Multifamily Units*	514,275	597,399	630,037	695,587	661,417	667,451	543,077			
Very Low-Income % of Total Units	15.0%	12.2%	14.6%	15.2%	17.1%	16.0%	16.2%			

** Refers to the total multifamily units that are eligible for housing goals.*

Proposed rule and comments. FHFA proposed setting the benchmark level for the multifamily very low-income subgoal at 12 percent. Similar to the comments received in response to the proposed low-income goal, the Enterprises and three trade associations representing mortgage bankers, bankers, and mortgage lenders expressed support for setting the multifamily very low-income subgoal benchmark level at 12 percent, describing it as appropriate, realistic, attainable, and representing a strong commitment to affordability. A comment letter signed by 35 housing and community development organizations, a trade association representing home builders, and another policy advocacy organization urged FHFA to set the benchmark level at a level closer to or higher than recent Enterprise performance. No commenters recommended lowering the proposed benchmark level.

FHFA determination. FHFA has considered the statutory factors for the multifamily housing goals, including current market conditions and the Enterprises' role in the market. FHFA has also considered the comments received in response to the proposed multifamily very low-income benchmark level. Very low-income renters face similar challenges as low-income renters. Rising interest rates are contributing to the increasing costs of acquiring very low-income multifamily units, and expected continued declines in affordable originations and higher rents are causing fewer units to qualify as affordable for very low-income families, with affordability defined based on rents being less than or equal to 30 percent of the maximum income level that would qualify as low-income for the area, adjusted for unit size.[37] These challenges are expected to continue into 2023 as more very low-income families are having to pay greater than 30 percent of their incomes for rent.[38] In light of all these factors, FHFA has determined that the multifamily very low-income benchmark level should be set at 12 percent for both Enterprises for 2023 and 2024, consistent with the proposed rule.

3. Small Multifamily Low-Income Housing Subgoal

The small multifamily low-income housing subgoal is based on the percentage of rental units in all multifamily properties financed by mortgages purchased by the Enterprises that are units in small multifamily properties affordable to low-income families, defined as families with incomes less than or equal to 80 percent of AMI. The Enterprise housing goals regulation defines a small multifamily property as a property with 5 to 50 units. This subgoal was created in conjunction with the 2015–2017 housing goals rulemaking to position the Enterprises to be able to respond quickly to potential need in this segment. In light of the current small multifamily market conditions discussed below, FHFA is interested in ensuring that the Enterprises remain positioned to support this market when needed without crowding out other sources of financing for small multifamily properties.

The final rule sets the annual benchmark level for affordable units in small multifamily properties for 2023 and 2024 at 2.5 percent of the goal-eligible units in all multifamily properties securing mortgages acquired by an Enterprise each year, rather than as the affordable percentage of small multifamily properties only, consistent with the objectives FHFA has previously expressed for this subgoal. The final benchmark level is slightly higher than the proposed 2 percent benchmark level, as FHFA has determined that the 2.5 percent benchmark level would better ensure that the Enterprises maintain an appropriate level of support for this market, given expected uncertainty in market and economic conditions, the comments received in response to the proposed benchmark level, and other factors described in this final rule.

As discussed in the preamble to the proposed rule, the small low-income multifamily housing market historically has been challenging to size and monitor. FHFA is aware that following the pandemic-related slowdown in 2020, private sector financing returned to this sector more robustly.[39] However, this private sector participation is expected to be highly sensitive to interest rates and other market conditions. FHFA believes that the final benchmark level for the small

[37] *See* 12 U.S.C. 4563(c).

[38] *See* ''The State of the Nation's Housing 2022,'' Joint Center for Housing Studies of Harvard University, June 2022, p.6, *available at https://www.jchs.harvard.edu/sites/default/files/reports/files/Harvard_JCHS_State_Nations_Housing_2022.pdf.*

[39] *See https://www.walkerdunlop.com/insights/2021/07/19/small-balance-multifamily-sizable-and-resilient/.* FHFA defines small multifamily properties as properties with 5 to 50 units, while this article defines small multifamily properties to include properties with 5 to 99 units and multifamily properties with a principal loan balance at origination between $1 and $10 million.

multifamily low-income housing subgoal will ensure that the Enterprises maintain a limited but appropriate level of engagement in the small multifamily segment of the market that could be scaled up in the future should the need arise.

Recent performance. Table 4 below shows Enterprise performance on this subgoal both in terms of the actual numeric benchmark levels applicable through 2022, as well as the proposed subgoal metric that would be based on percentages. As noted in the NPRM and as reflected by the different numeric benchmark levels set for each Enterprise in the 2021 final rule, FHFA recognizes that the Enterprises have different multifamily business approaches to this segment and that each Enterprise sets its own credit risk tolerance for multifamily products. As a result, each Enterprise has performed very differently on this subgoal. For example, Fannie Mae's performance was below the new benchmark level of 2.5 percent from 2015 through 2018, while Freddie Mac's performance has generally exceeded this level.

TABLE 4—SMALL MULTIFAMILY LOW-INCOME SUBGOAL

	Performance									
Year	2015	2016	2017	2018	2019	2020	2021	2022	2023 (%)	2024 (%)
Fannie Mae Benchmark	6,000	8,000	10,000	10,000	10,000	10,000	10,000	17,000	2.5	2.5
Freddie Mac Benchmark	6,000	8,000	10,000	10,000	10,000	10,000	10,000	23,000	2.5	2.5
Fannie Mae Performance:										
Small Low-Income Multifamily Units	6,731	9,312	12,043	11,890	17,832	21,797	14,409			
Total Small Multifamily Units	11,198	15,211	20,375	17,894	25,565	36,880	25,416			
Total Multifamily Units*	468,798	552,785	630,868	628,230	596,137	637,696	557,152			
Small Low-Income % of Total Small Multifamily Units	60.1%	61.2%	59.1%	66.4%	69.8%	59.1%	56.7%			
Small Low-Income % of Total Units	1.4%	1.7%	1.9%	1.9%	3.0%	3.4%	2.6%			
Freddie Mac Performance:										
Small Low-Income Multifamily Units	12,801	22,101	39,473	39,353	34,847	28,142	31,913			
Total Small Multifamily Units	21,246	33,984	55,116	53,893	46,879	41,275	41,874			
Total Multifamily Units*	514,375	597,339	630,037	695,587	661,417	667,451	543,077			
Small Low-Income % of Total Small Multifamily Units	60.3%	65.0%	71.6%	73.0%	74.3%	68.2%	76.2%			
Small Low-Income % of Total Units	2.5%	3.7%	6.3%	5.7%	5.3%	4.2%	5.9%			

** Refers to the total multifamily units that are eligible for housing goals.*

Proposed rule and comments. Three comment letters, including those from Fannie Mae, a group of mortgage lenders, and a trade organization representing mortgage bankers, expressed support for the proposed benchmark level of 2 percent, noting that this market is already well-served by other sources of private capital. However, a trade organization representing home builders questioned the proposed benchmark level given the possibility of a recession in 2023, pointing out that many lenders in this market retreat from less lucrative business lines during economic downturns. A comment letter signed by 35 housing and community development organizations and a policy advocacy organization representing housing finance agencies urged FHFA to set the benchmark level at a level closer to or higher than recent Enterprise performance. No commenters recommended lowering the proposed benchmark level.

FHFA determination. The final rule sets the benchmark level for the small multifamily low-income subgoal at 2.5 percent, which is slightly higher than the proposed benchmark level of 2 percent.[40] While this market is currently being served by other sources of private capital such as small and/or regional banks, the final benchmark level will ensure that the Enterprises maintain a presence in this specialized market. FHFA's determination is based on its consideration of the statutory factors for the multifamily housing goals, the purpose of this goal, and the comments received on the proposed benchmark level.

V. Paperwork Reduction Act

The Paperwork Reduction Act (PRA) (44 U.S.C. 3501 *et seq.*) requires that regulations involving the collection of information receive clearance from the Office of Management and Budget (OMB). The final rule contains no such collection of information requiring OMB approval under the PRA. Therefore, no information has been submitted to OMB for review.

VI. Regulatory Flexibility Act

The Regulatory Flexibility Act (5 U.S.C. 601 *et seq.*) requires that a regulation that has a significant economic impact on a substantial number of small entities, small businesses, or small organizations must include an initial regulatory flexibility analysis describing the regulation's impact on small entities. FHFA need not undertake such an analysis if the agency has certified that the regulation will not have a significant economic impact on a substantial number of small entities. 5 U.S.C. 605(b). FHFA has considered the impact of the final rule under the Regulatory Flexibility Act. FHFA certifies that the final rule will not have a significant economic impact on a substantial number of small entities because the regulation only applies to Fannie Mae and Freddie Mac, which are

[40] FHFA notes that all previous percentage-based housing goals were established using whole numbers for the benchmark levels. However, the relatively low percentage for the small multifamily low-income subgoal necessitates using a small increment to ensure the benchmark level is appropriate. FHFA has an established practice of rounding Enterprise performance to the first decimal when evaluating Enterprise performance on previous percentage-based housing goals; that same practice will be followed for the percentage-based multifamily housing goals.

not small entities for purposes of the Regulatory Flexibility Act.

IX. Congressional Review Act

In accordance with the Congressional Review Act (5 U.S.C. 801 *et seq.*), FHFA has determined that this final rule is a major rule and has verified this determination with OMB.

List of Subjects in 12 CFR Part 1282

Mortgages, Reporting and recordkeeping requirements.

Authority and Issuance

For the reasons stated in the Preamble, under the authority of 12 U.S.C. 4511, 4513, and 4526, FHFA amends part 1282 of Title 12 of the Code of Federal Regulations as follows:

CHAPTER XII—FEDERAL HOUSING FINANCE AGENCY

SUBCHAPTER E—HOUSING GOALS AND MISSION

PART 1282—ENTERPRISE HOUSING GOALS AND MISSION

■ 1. The authority citation for part 1282 continues to read as follows:

Authority: 12 U.S.C. 4501, 4502, 4511, 4513, 4526, 4561 – 4566.

■ 2. Amend § 1282.13 by revising paragraphs (b) through (d) to read as follows:

§ 1282.13 Multifamily special affordable housing goal and subgoals.

* * * * *

(b) *Multifamily low-income housing goal.* The percentage share of dwelling units in multifamily residential housing financed by mortgages purchased by each Enterprise that consists of dwelling units affordable to low-income families shall meet or exceed 61 percent of the total number of dwelling units in multifamily residential housing financed by mortgages purchased by the Enterprise in each year for 2023 and 2024.

(c) *Multifamily very low-income housing subgoal.* The percentage share of dwelling units in multifamily residential housing financed by mortgages purchased by each Enterprise that consists of dwelling units affordable to very low-income families shall meet or exceed 12 percent of the total number of dwelling units in multifamily residential housing financed by mortgages purchased by the Enterprise in each year for 2023 and 2024.

(d) *Small multifamily low-income housing subgoal.* The percentage share of dwelling units in small multifamily properties financed by mortgages purchased by each Enterprise that consists of dwelling units affordable to low-income families shall meet or exceed 2.5 percent of the total number of dwelling units in all multifamily residential housing financed by mortgages purchased by the Enterprise in each year for 2023 and 2024.

■ 3. Amend § 1282.15 by revising paragraphs (c) and (e)(3) to read as follows:

§ 1282.15 General counting requirements.

* * * * *

(c) *Calculating the numerator and denominator for multifamily housing goals.* Performance under the multifamily housing goal and subgoals shall be measured using a fraction that is converted into a percentage. Neither the numerator nor the denominator shall include Enterprise transactions or activities that are not mortgage purchases as defined by FHFA or that are specifically excluded as ineligible under § 1282.16(b).

(1) *The numerator.* The numerator of each fraction is the number of dwelling units that count toward achievement of a particular multifamily housing goal or subgoal in properties financed by mortgages purchased by an Enterprise in a particular year.

(2) *The denominator.* The denominator of each fraction is the total number of dwelling units in properties financed by mortgages purchased by an Enterprise in a particular year.

* * * * *

(e) * * *

(3) The estimation methodology in paragraph (e)(2) of this section may be used up to a nationwide maximum of 5 percent of the total number of rental units in properties securing multifamily mortgages purchased by the Enterprise in the current year. Multifamily rental units with missing affordability information in excess of this maximum shall be included in the denominator for the multifamily housing goal and subgoals, but such rental units shall not be counted in the numerator of any multifamily housing goal or subgoal. Multifamily rental units with missing affordability information for which estimation information is not available shall be excluded from both the numerator and the denominator for purposes of the multifamily housing goal and subgoals.

* * * * *

Sandra L. Thompson,

Director, Federal Housing Finance Agency.

[FR Doc. 2022–27467 Filed 12–22–22; 8:45 am]

BILLING CODE 8070–01–P

DEPARTMENT OF TRANSPORTATION

Federal Aviation Administration

14 CFR Part 39

[Docket No. FAA–2022–1234; Project Identifier MCAI–2022–00289–E; Amendment 39–22280; AD 2022–26–02]

RIN 2120–AA64

Airworthiness Directives; Rolls-Royce Deutschland Ltd & Co KG (Type Certificate Previously Held by Rolls-Royce plc) Turbofan Engines

AGENCY: Federal Aviation Administration (FAA), DOT.

ACTION: Final rule.

SUMMARY: The FAA is superseding Airworthiness Directive (AD) 2013–05–13 for certain Rolls-Royce Deutschland Ltd & Co KG (RRD) BR700–710 series turbofan engines. AD 2013–05–13 required replacing the affected fuel pump splined couplings. Since the FAA issued AD 2013–05–13, the manufacturer has revised the time limits manual (TLM), introducing new and more restrictive instructions, including the replacement of the fuel pump splined coupling. This AD is prompted by service experience that demonstrated premature wear of the splined coupling on the fuel pump and subsequent manufacturer revision of the TLM to incorporate revised life limits and updated mandatory inspection intervals, including replacement of the fuel pump splined coupling. This AD expands the applicability by adding a model turbofan engine and also requires revisions to the airworthiness limitations section (ALS) of the operator's existing approved aircraft maintenance program (AMP), as specified in a European Union Aviation Safety Agency (EASA) AD, which is incorporated by reference. The FAA is issuing this AD to address the unsafe condition on these products.

DATES: This AD is effective January 27, 2023.

The Director of the Federal Register approved the incorporation by reference of a certain publication listed in this AD as of January 27, 2023.

ADDRESSES:

AD Docket: You may examine the AD docket at *regulations.gov* under Docket No. FAA–2022–1234; or in person at Docket Operations between 9 a.m. and 5 p.m., Monday through Friday, except Federal holidays. The AD docket contains this final rule, the mandatory continuing airworthiness information (MCAI), any comments received, and other information. The address for