

Exhibit H:
Annual Outreach Narrative Reporting Template

FREDDIE MAC
 RURAL HOUSING
 2023
 OUTREACH

ACTIVITY:

1 – Support for High-Needs Rural Regions: Regulatory Activity

OBJECTIVE:

C – Facilitate Thought Leadership and Research Related to Housing and Mortgage Financing in Rural Communities

INFEASIBILITY:

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

SUMMARY OF RESULTS:

Freddie Mac met our 2023 goals under this objective, hosting our fifth annual Rural Research Symposium and delivering research on the economics of small-dollar mortgage lending.

Objective’s components detailed in the Plan	Corresponding actions or deliverables
<p>1. Host a research symposium that focuses on rural mortgage markets to better understand who is being served and the effectiveness of mortgage products, services, and financing as well as the effect on communities, consumers, and financial institutions. The symposium will focus on new research and insights developed since the 2022 event. Delivering the event all or in part via a virtual platform likely will increase the symposium’s reach.</p>	<p>Complete</p> <ul style="list-style-type: none"> • Held the fifth annual Rural Research Symposium in person, with 100 attendees from academia, government agencies, financial institutions, non-profit agencies, and Freddie Mac. • Delivered research findings on the following topics: <ul style="list-style-type: none"> ○ Keynote – FHFA perspectives on rural housing: Ted Wartell, FHFA associate director, Office of Housing and Community Investment ○ Panel sessions: <ul style="list-style-type: none"> ▪ Market Watch: Macroeconomic Overview ▪ Market Watch: Market Segments – Explored rural rental burdens and Housing Assistance Council’s Taking Stock publication (new focus) ▪ Understanding the State of Native Homeownership (new perspective on a continuing topic) ▪ Examining the Landscape of Rural Rental Housing (new perspective on a continuing topic) ▪ Rural Housing Trends: Migration and Affordability – Discussed small-balance

	<p>mortgages (new focus) and homebuyer migration to and from rural areas (new perspective on a continuing topic)</p> <ul style="list-style-type: none"> • Provided several opportunities for attendees to interact with each other during the symposium. • Made presentations and resources available on Freddie Mac's Rural Research Symposium web page following the event, if permission was given. • Promoted the event through an integrated, multipronged campaign: <ul style="list-style-type: none"> ○ E-mail - Sent 19 in total, including six calls for research, to previous attendees and new invitees ○ Digital - Created a Symposium web page, which was viewed nearly 2,000 times ○ Social media - Posted nine times to Freddie Mac's accounts; individual employees and speakers also posted to raise awareness and encourage registrations 	
<p>2. Conduct research on the economics of small-dollar mortgage lending in persistent-poverty counties to better understand the current market dynamics, types of institutions participating, and incentives and disincentives for originating these loans. Present findings at the Rural Research Symposium and employ them to influence development of policy that will promote financing of small-dollar mortgages.</p>	<p>Complete</p> <ul style="list-style-type: none"> • Conducted research on small-balance mortgages in high-needs rural regions, including persistent-poverty counties, with an additional view on manufactured homes. • Drew from the following sources: <ul style="list-style-type: none"> ○ National Mortgage Database (NMDB®) Version 21.1, which contains a random sample representing one in 20 U.S. residential mortgages ○ Home Mortgage Disclosure Act (HMDA) data ○ Anonymized credit bureau data ○ Realtor.com® Economic Research data ○ Bureau of Labor Statistics data ○ Census Bureau data • Defined small-balance mortgages as mortgages for \$150,000 or less, consistent with other studies. Loan amounts have been adjusted to inflation using CPI data (base is 2013). • Further defined two subcategories of small-dollar loans: <ul style="list-style-type: none"> ○ Mortgages for up to \$70,000 ○ Mortgages for between \$70,000 and \$150,000 • Summarized small-balance mortgage origination patterns, trends, barriers, and performance data to gain insights into market dynamics. • Developed a framework for assessing market opportunities to expand small-balance mortgages. • Presented the findings as part to the Rural Housing Trends: Migration and Affordability session at our Rural Research Symposium. • Began to consider how to use the insights to expand affordable lending in rural areas, particularly for manufactured homes. 	

SELF-ASSESSMENT RATING OF PROGRESS:

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

PARTIAL CREDIT JUSTIFICATION:

Not applicable.

IMPACT:

- 50 – Very Large Impact
- 40
- 30 – Meaningful Impact
- 20
- 10 – Minimal Impact
- 0 – No Impact

IMPACT EXPLANATION:

- 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?**

Freddie Mac made, or laid the foundation to make, a large impact on the market through our efforts under this objective through our industry leadership in developing and sharing unique insights as well as facilitating collaboration across the ecosystem to motivate focus on improving housing and homeownership in rural America.

The Rural Research Symposium offered a platform for researchers in academia, industry, non-profit and housing professionals to come together, present research, discuss the state of housing in rural communities, and share ideas on solutions to housing challenges that underserved communities face. Our fifth annual symposium brought together 100 industry leaders from across the ecosystem – in person for the first time since 2019; it was held virtually in 2020-2022 for pandemic-related health and safety reasons. The participation reflects continued interest across stakeholder groups, confirms the value the symposium brings to the market, and acknowledges Freddie Mac’s leadership in and commitment to the rural space. Attendees represented our target audience, including the level and caliber of leaders desired.

The symposium highlighted thought-provoking research findings into matters that affect housing in rural communities and potential solutions. Presenters shared new insights on topics of continuing and rising interest:

- Macroeconomic trends
- Housing challenges and opportunities in Indian Country
- Rural rental housing affordability, rental assistance, and the pandemic’s effect on them
- Small-balance mortgages
- Homebuyer migration to and from rural areas as a result of the COVID-19 pandemic

Attendees continued to find the symposium valuable, as reflected in their responses to a post-event survey. Survey respondents rated the symposium content and networking opportunity 4.7 out of 5, on average, with 5 being the top

of the range. Survey respondents also stated they were highly likely to attend the symposium next year and would recommend attending to colleagues.

To make the research widely available and bring more people into the conversation, we posted the presentations from the symposium to our [Rural Research Symposium](#) web site.

The symposium’s continuing success reflects the industry’s need for such a knowledge-sharing forum and Freddie Mac’s industry leadership. The deeper understanding, relationships, and energy that the annual symposium inspires can encourage the broader industry to explore opportunities and create possibilities for improving the quality of life in rural communities.

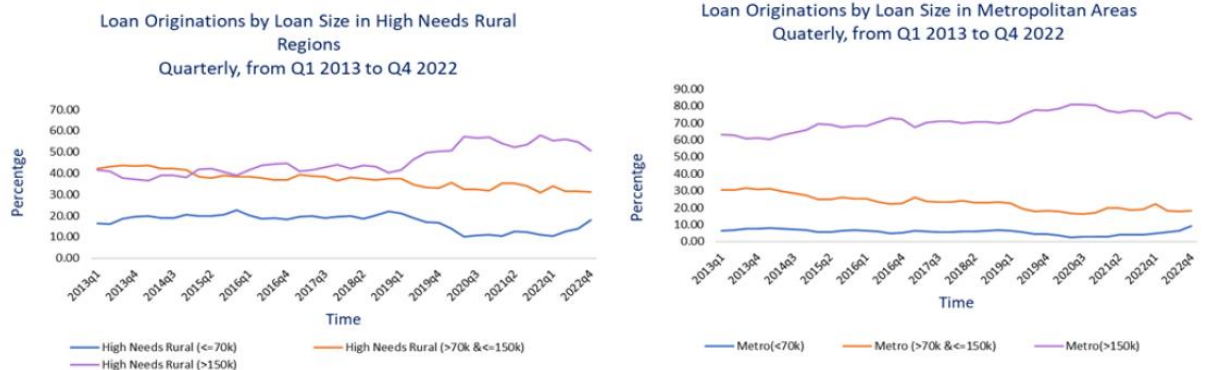
For example, an attendee from the Pew Charitable Trusts told us that research presented and conversations held during the 2023 symposium inspired Pew to organize the Manufactured Housing Convening, which took place in February 2024 to bring together lenders to discuss about home-only lending, HUD Title I loan insurance, and other MH-related topics. In addition, Urban Institute and other organizations praised Freddie Mac for our research on zoning barriers to MH and on opportunities to expand the supply of manufactured homes.

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

We learned that, while they appreciate meeting in person, some industry participants have become comfortable attending conferences virtually as the delivery platforms have improved over the last three years. This may have affected symposium attendance. Attendees told us that they liked the in-person format because it afforded them more opportunities to connect with other industry participants and to have broader, deeper discussions on supporting housing in rural areas. However, being able to attend virtually reduces travel time and expenses; plus, some people avoid large gatherings since the pandemic. Nearly half of survey respondents stated that they would like the option to attend the symposium either in person or virtually in the future. Freddie Mac is reconsidering our approach to help ensure that we continue to provide a valued forum that allows industry participants from across the ecosystem to participate.

We learned from Freddie Mac’s original research that originations of small-balance mortgages, which are a vital pathway to homeownership, fell almost 30% over the last decade. Mortgage originations of \$150,000 or less fell from almost 43% of all mortgage originations in 2013 to a little more than 30% in 2022 across geographies and for site-built and manufactured housing.

While small-balance mortgage originations have declined in all U.S. geographies, the declining share is particularly concerning in high-needs rural regions, as defined under the Duty to Serve rule. Households in rural America in particular, where incomes traditionally are lower and economic opportunities are fewer than in other areas, have disproportionately relied on small-balance loans as means to attain homeownership.



Source: Freddie Mac’s Housing Insights and Solutions calculations using the National Mortgage Database (NMDb) version 21.1. Loan amounts have been adjusted to inflation using the Consumer Price Index (base year is 2013).

The limited supply of small-balance loans mainly has been attributed to their low rate of return for lenders, compared to the origination costs. Other factors include the critical housing supply shortage and accelerated home price increases pushing property values out of reach for small-balance mortgage financing; even after accounting for home price appreciation, research has shown that small-balance mortgages are scarcer than they were two decades ago. Also, the lower incomes and slightly lower credit scores of many people with small-balance mortgages, compared to those with high-balance mortgages, may cause lenders concerns about default risks. Based on our research findings, Freddie Mac is considering how we might update our policies to encourage lenders to originate more small-balance mortgages, including in high-needs rural regions and for manufactured homes titled as real property.

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

Not applicable.