

Exhibit H:
Annual Outreach Narrative Reporting Template

FREDDIE MAC

RURAL HOUSING

2019

OUTREACH

ACTIVITY:

2 – High-Needs Rural Populations: Regulatory Activity

OBJECTIVE:

A – Increase Homebuyer Access to Education and Resources for Members of a Federally Recognized Indian Tribe in Indian Areas

ACTIONS:

Freddie Mac exceeded our 2019 goals for this objective, extending access to much-needed financial and housing education, counseling, and resources to help prepare Native Americans in Indian Country to attain and sustain affordable homeownership.

2019 highlights:

- Our support resulted in 729 Native Americans receiving financial and homebuyer education and housing counseling—a 300% year-to-year increase.
- Through collaboration with not-for-profit partners, we established relationships with three additional not-for-profit organizations deeply rooted in Indian areas to expand access to financial and homebuyer education and counseling, exceeding our target of one new partner.
- We participated in the Center for Indian Country Development’s (CICD’s) Homebuyer Readiness subcommittee meetings to gather insights and share ideas about how better to support homeownership among Native Americans in tribal areas.
- As a result of our collaborative effort with Credit Builders Alliance (CBA), the National American Indian Housing Council (NAIHC) added a credit-building module to its Pathways Home: Building Native Communities curriculum, making the training even more robust and effective in helping people become mortgage-ready.
- We sponsored the reprinting and distribution NAIHC’s *Pathways Home: A Native Guide to Homeownership* manual, providing much-needed training material to Indian Country.
- With our support, First Nations Oweesta Corporation (Oweesta) finalized and launched the Native Youth Financial Education curriculum and promotional videos aimed at educating high-school seniors on responsible financial management, helping them develop life skills that could enable them to attain and sustain homeownership in the future.

Objective's components detailed in the Plan	Corresponding actions taken	Explanation of any deviations from the Plan (if applicable)
<p>1. Continue to participate and collaborate on initiatives outlined in Homebuyer Readiness subcommittee meetings to better understand the opportunities and challenges of Native American lending in Indian areas.</p>	<p>Complete</p> <ul style="list-style-type: none"> • Participated in all Homebuyer Readiness subcommittee meetings; CICD suspended them after the August 2019 meeting. • Participated in discussions and presented to the group on the following Freddie Mac offerings: <ul style="list-style-type: none"> ○ CHOICERenovationSM mortgage and sweat equity down payment flexibilities ○ CreditSmart[®] Homebuyer U financial management curriculum and its benefits 	
<p>2. Establish one additional partnership with a non-profit, housing finance agency or community development financial institution that provides homebuyer education, housing counseling and other resources relevant to potential Native American homebuyers in one additional Indian area to expand our area of outreach and increase access to financial and homebuyer education to promote sustainable homeownership in Indian areas.</p>	<p>Complete</p> <ul style="list-style-type: none"> • Met regularly with our partner organizations to ensure that they were on target to meet goals to add new members in additional Indian areas. • Through our partnerships, forged relationships with three additional non-profit organizations in Indian Country to expand financial and homebuyer education and counseling to potential homebuyers in three additional Indian areas. 	
<p>3. Provide financial and homebuyer education and housing counseling with an established partner in one additional Indian area.</p>	<p>Complete</p> <ul style="list-style-type: none"> • Through our partnerships, expanded financial and homebuyer education as well as housing counseling to three additional Indian areas. • Provided financial and homebuyer education for a total of 729 Native Americans in Indian areas through our non-profit partners, more than a 300% increase over 2018. • Supported the printing and distributing 2,250 copies of NAIHC's <i>Pathways Home: A</i> 	

	<p><i>Native Guide to Homeownership</i> manual for use in financial and homebuyer education.</p> <ul style="list-style-type: none"> • In collaboration with CBA and working with NAIHC, had a module on credit building added to NAIHC’s Pathways Home: Building Native Communities curriculum. • Worked with Oweesta to complete and debut the Native Youth Financial Education Curriculum, addressing a need expressed by tribal leaders, tribe members, lenders, and other stakeholders. <ul style="list-style-type: none"> ○ Rolled out the curriculum in a New Mexico high school, with 150 students participating. ○ Certified 34 trainers to offer financial education to young people outside of the school as well. ○ Created videos to promote the curriculum and help boost its adoption more broadly. 	
<p>4. Ask consumers to complete a survey on our financial and homebuyer education curricula at each session to inform future enhancements.</p>	<p>Complete</p> <ul style="list-style-type: none"> • Surveyed participants at financial and homebuyer education classes and at homebuyer fairs. • Reviewed survey responses to gather information that could factor into improvements. <ul style="list-style-type: none"> ○ Participants viewed the education as beneficial. ○ Discussed with our partners common themes raised in the surveys, including building and repairing credit profiles and basic home maintenance. ○ Recommended ways for our partners to address some of the feedback. 	

SELF-ASSESSMENT RATING OF PROGRESS:

- Objective met
- Objective exceeded
- Objective partially completed:
 - 75-99% (substantial amount)
 - 50-74% (limited amount)
 - 25-49% (minimal amount)
 - 1-24% (less than a minimal amount)
- No milestones achieved

PARTIAL CREDIT JUSTIFICATION:

Not applicable

IMPACT:

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

IMPACT EXPLANATION:

1. How and to what extent were actions under this objective impactful in addressing underserved market needs, or in laying the foundation for future impact in addressing underserved market needs?

Freddie Mac’s efforts under this objective laid the foundation for substantial impact in preparing Native Americans for sustainable homeownership in rural tribal areas, where financial and homebuyer education and housing counseling resources are lacking. Our multi-pronged approach to increasing access to homebuyer education and resources for Native Americans in federally designated tribal lands led to more people preparing for successful homeownership in more areas.

On the Center for Indian Country Development’s Homebuyer Readiness subcommittee, we gained insights into market needs and how to address them. In turn, fellow members gained insights into our offerings and their benefits.

Collaborating with non-profit organizations focused on Native Americans, we extended our network in tribal areas more widely than originally planned. As a result, more people gained access to financial and homebuyer education and housing counseling toward achieving sustainable homeownership. More than 750 people received this support in 2019—more than three times as many as in 2018.

The feedback gathered in surveys from education and counseling clients led to offering additional learning resources. For example, although it was outside the scope, we raised awareness of our CreditSmart® Homebuyer U and provided handouts on home maintenance from home-improvement stores.

Thin, no, and poor credit is a significant issue among Native Americans in Indian Country. The credit-building module that we worked to add to the Native American Indian Housing Council’s (NAIHC’s) Pathways Home:

Building Native Communities curriculum highlights good credit as a basis for sustainable homeownership and informs participants how to build and maintain it. This effort, which exceeded our targets, laid the foundation to widen the pool of mortgage-ready prospective homebuyers.

Also, printing NAIHC's *Pathways Home: A Native Guide to Homeownership* manual let non-profit agencies provide materials related to the curriculum. By posting a link to an on-line version on our Native American Homeownership Preparedness web site, we expanded access to the manual so that more people benefit from the information and best practices. The site offers resources intended to help Native Americans navigate homebuying and homeownership.

We also laid the foundation for younger generations to attain and sustain future homeownership. The Native Youth Financial Education Curriculum that we created and launched with First Nations Oweesta helps high-school seniors build skills that will serve them all their lives and help position them for future homeownership. A New Mexico high school rolled out the curriculum to 150 of its students; plus, 34 trainers were certified to educate tribal youth outside of the school. Supporting the curriculum's creation and launch exceeds our goals for this objective; we did so because of its significant potential long-term value in tribal areas.

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

Homebuyer education and counseling are critical to preparing people for sustainable homeownership and, in Indian areas, these efforts are best carried out in collaboration with organizations rooted in those areas. Freddie Mac leveraged our established partnerships and added three housing organizations to our network—two more than our target—to expand support in these areas.

Another challenge in this market is potential homebuyers who have thin or no credit histories but are creditworthy. Rent reporting and taking other actions to help build their credit profiles help people prove their mortgage-readiness. Our partnership with Credit Builders Alliance supports such opportunities.

Tribal leaders stated the need to educate young people on the financial responsibilities of adulthood, including the possibility of buying and owning homes responsibly. The Native Youth Financial Education Curriculum addresses this need. The skills and knowledge the students gain are useful and valuable immediately as well as throughout their lives. The promotional videos we worked with Oweesta to create will help expand adoption of the curriculum.

3. Optional: If applicable, why were all components of this objective not completed?

Not applicable

Attach the information detailed in the list of documentation specific to the objective that was provided by FHFA.

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ACTIVITY:

2 – High-Needs Rural Populations: Regulatory Activity

OBJECTIVE:

B – Increase Technical Expertise in Indian Areas

ACTIONS:

Freddie Mac exceeded our 2019 goal under this objective, working closely with Native American organizations to increase their capacity and capabilities to assist tribe members in preparing for sustainable homeownership opportunities.

2019 highlights:

- We worked in partnership with Enterprise Community Partners to develop the Enhancing and Implementing Homeownership Programs curriculum to support housing organizations working with tribes to create homeownership opportunities in Indian Country. We held the inaugural training session for representatives of 12 tribes, exceeding our target of at least one tribe.
- To make *Tribal Leaders Handbook on Homeownership* available to people beyond those attending the training, we also posted it to our Native American Homeownership Preparedness web site, which offers access to information and resources in support of Native homeownership opportunities.
- We collaborated with Credit Builders Alliance (CBA) to provide technical assistance to rental agencies and landlords in tribal areas in establishing rent reporting to credit bureaus as a means of helping tribe members build their credit profiles. This effort went above and beyond our goals for this objective.
- As a member of the Center for Indian Country Development’s (CICD’s) Homebuyer Readiness and the Lending Systems Focus Group subcommittees, we exchanged insights and ideas as well as raised awareness of Freddie Mac products and offerings.
- By participating in conferences focused on Native American communities and conducting a webinar for CICD members, we increased lenders’ and other housing professionals’ knowledge of our products and offerings and how they help promote sustainable homeownership opportunities in Indian Country.

Objective’s components detailed in the Plan	Corresponding actions taken	Explanation of any deviations from the Plan (if applicable)
1. Leverage relationships with partners established in 2018 to develop best practices for	Complete <ul style="list-style-type: none"> • Posted a link on our Native American Homeownership 	

<p>lending to Native Americans in Indian areas. Share this information with lenders by publishing best practices for lending to Native Americans in Indian areas on Freddie Mac's web site.</p>	<p>Preparedness web site to an on-line version <i>Tribal Leaders Handbook on Homeownership</i> to make best practices developed in 2018 widely available.</p>	
<p>2. Provide broad-based product and program support to lenders through industry conferences, web site material, and Freddie Mac training programs that is specific to Native Americans in Indian areas.</p>	<p>Complete</p> <ul style="list-style-type: none"> • Attended four conferences specific to Indian Country with a total of more than 1,100 attendees. <ul style="list-style-type: none"> ○ Promoted our programs and offerings relevant to Native Americans in Indian areas. ○ Met with lenders to answer questions, exchange ideas, and gather feedback on how to better support prospective homebuyers and homeowners in tribal areas. • Conducted a webinar for CICD on our low down payment mortgage products, sweat equity in lieu of cash for down payment and closing costs, and CHOICERenovationSM and GreenCHOICE MortgagesSM offerings. • Maintained a web site that offers access to information and resources relevant to promoting responsible homeownership in Indian areas. 	
<p>3. Provide capacity building with at least one Indian tribe through a partnership with a non-profit, Tribally Designated Housing Entity (TDHE) or housing finance agency to offer resources and assistance related to loan packaging, title clearance or other priorities identified that will increase the efficiency of lending on trust lands.</p>	<p>Complete</p> <ul style="list-style-type: none"> • Collaborated with Enterprise to create the Enhancing and Implementing Homeownership Programs curriculum to increase Native American housing organizations' capacity and knowledge to lend on tribal trust land. Topics include lending processes, titling, mortgage products and subsidies, and loan packaging as well as creating or strengthening homeownership program needs assessments, homebuyer-readiness 	

	<p>programming, community planning, home design and construction, and enhancing affordability.</p> <ul style="list-style-type: none"> • Collaborated with Enterprise to develop educational materials for lenders and housing professionals: <ul style="list-style-type: none"> ○ Instructor and participant manuals ○ Activity worksheets and supplemental materials ○ Training presentation • Certified 16 trainers through a train-the-trainer program to deliver the curriculum. • Conducted the first training session in Denver in November, with 71 participants from 27 organizations representing 12 tribes—exceeding our target for number of tribes participating. • Posted a link to the curriculum on our Native American Homeownership Preparedness web site. • Supported distribution of <i>Tribal Leaders Handbook on Homeownership</i> to training participants. • Collaborated with CBA—in an effort beyond our goals for this objective—to educate tribal home-rental agencies and landlords on rent reporting to credit bureaus and how it helps renters with thin/poor/no credit histories strengthen their credit profiles, creating the potential for future homeownership. • Enrolled two rental agencies in rent-reporting services. • Helped agencies establish the reporting process to feed required data elements to the credit bureaus. 	
<p>4. Depending on the results of outreach in 2018, by year-end, complete an evaluation of potential changes that allow us to identify membership of borrowers in federally</p>	<p>Complete</p> <ul style="list-style-type: none"> • Based on our analysis of feedback and information gathered through 2018 outreach efforts, decided to use a manual process to track loans we purchase that 	

<p>recognized Indian tribes' members to track loan purchase activity. Submit findings in report to FHFA.</p>	<p>were made to members of federally recognized tribes for homes on federally designated Indian land. This was based on a cost/benefit decision.</p> <ul style="list-style-type: none"> • When purchasing loans, the process will be established through agreements with the lenders delivering loans to us. • Provided a statement on our decision with our 2019 annual report submission. 	
<p>5. Participate in quarterly meetings of the CICD committee, CICD secondary market subcommittee and CICD lending products subcommittee to better understand the opportunities and challenges of Native American lending in Indian areas.</p>	<p>Complete</p> <ul style="list-style-type: none"> • Participated in CICD Homebuyer Readiness subcommittee meetings through August, after which CICD suspended the meetings. • Shared information on new and enhanced offerings as they were rolled out, including CreditSmart® Homebuyer U, sweat equity down payment flexibilities, and CHOICERenovation. • Attended and offered input to the Lending Systems Focus Group subcommittee meetings. 	

SELF-ASSESSMENT RATING OF PROGRESS:

- Objective met
- Objective exceeded
- Objective partially completed:
 - 75-99% (substantial amount)
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 - 25-49% (minimal amount)
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PARTIAL CREDIT JUSTIFICATION:

Not applicable

IMPACT:

- 50 – Substantial Impact
- 40

- 30 – Meaningful Impact
- 20
- 10 – Minimal Impact
- 0 – No Impact

IMPACT EXPLANATION:

1. How and to what extent were actions under this objective impactful in addressing underserved market needs, or in laying the foundation for future impact in addressing underserved market needs?

Freddie Mac’s efforts under this objective had meaningful impact on expanding tribal organizations’ capacity and capabilities to support lending and sustainable homeownership opportunities on federally declared Indian lands.

The Enhancing and Implementing Homeownership Programs curriculum, supporting materials, and train-the-trainer program that we developed in partnership with Enterprise Community Partners laid the foundation to expand housing organizations’ abilities to increase affordable lending in Indian Country. The program addresses the unique characteristics and requirements of mortgage lending on trust land and how tribes can help create sustainable homeownership opportunities for tribe members. The first training session took place in November, exceeding our goal. Participants included 71 professionals from 27 organizations representing 12 tribes—exceeding our target number of tribes reached.

By distributing *Tribal Leaders Handbook on Homeownership* to Building and Implementing Homeownership Programs training participants as well as on-line through our web site, its best practices will benefit more Native Americans hoping to become homeowners. The link to the handbook is on the Native American Homeownership Preparedness page of our web site, where people have easy access to a range of information and resources in support of lending and homeownership in Indian areas.

Furthermore, with our partnership, Credit Builders Alliance (CBA) raised awareness among home-rental agencies and landlords about how rent reporting to credit building helps Native Americans strengthen their credit profiles, addressing a common challenge in tribal areas: tribe members with thin, poor, or no credit histories. CBA enrolled 62 renters in rent-reporting services and helped agencies and landlords to set up the infrastructure for sending data to credit bureaus. Credit-building assistance will help make future homeownership possible for more renters and widen the pool of mortgage-ready homebuyers.

Through participation in conferences, webinars, one-on-one outreach to Native American organizations, and Center for Indian Country Development (CICD) subcommittees, we expanded knowledge among tribal leaders, tribe members, Native American organizations, lenders, and other stakeholders about Freddie Mac products and offerings that can benefit tribe members on tribal lands. We also strengthened relationships and avenues for sharing information, insights, and ideas, which laid the foundation to further explore how to support Native communities.

By defining our approach to identifying loans that we purchase on homes on federally declared tribal land, we laid the foundation for gaining insight into our support for Native American communities and the performance of those loans. The data will help inform future efforts to increase the flow of liquidity into Indian Country.

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

One challenge in this market is the number of people who have thin, poor, or no credit histories. Rent reporting offers an effective means of helping to build or strengthen credit profiles. In addition to other benefits of good credit, it helps people prove their mortgage-readiness to lenders. Our partnership with Credit Builders Alliance to educate and enroll home-rental agencies and landlords on the benefits of credit building supports such opportunities.

Also, the lack of infrastructure within the Bureau of Indian Affairs (BIA) offices results in extreme delays in lenders receiving the Title Status Report on a property, which includes current ownership and encumbrance information on tracts of Indian land. Related to that: Tribes lack infrastructure around how they and the lenders handle delinquent loans on tribal trust land, considering the mortgage does not include the land. We will continue to work with our partners to explore opportunities to make a positive difference where we can.

3. Optional: If applicable, why were all components of this objective not completed?

Not applicable

Attach the information detailed in the list of documentation specific to the objective that was provided by FHFA.