

Exhibit H:
Annual Outreach Narrative Reporting Template

FREDDIE MAC
 MANUFACTURED HOUSING
 2022
 OUTREACH

ACTIVITY:

1 – Support for Manufactured Homes Titled as Real Property: Regulatory Activity

OBJECTIVE:

C – Support Growth in the Market for Manufactured Homes through Research and Outreach

SUMMARY OF RESULTS:

Freddie Mac exceeded our goals under this objective in 2022 by producing thought leadership that can help improve perceptions of manufactured homes (MH), collaborating to help change paradigms around the use and sales of MH, and educating industry participants on the benefits of MH and opportunities to expand their use and acceptance.

| Objective’s components detailed in the Plan | Corresponding actions or deliverables |
|---|--|
| <p>1. Research and publish a report on the impact of the coronavirus pandemic on MH loan performance and on whether forbearance stemmed further delinquency. Identify trends that may point to future MH loan performance and inform lenders of Freddie Mac resources that they can deploy to help borrowers retain homeownership. Develop an outreach campaign in partnership with Freddie Mac’s Borrower Help Centers and call-in Borrower Help Network, specifically those offering support for owners of manufactured homes, to raise lenders’ awareness.</p> | <p>Complete</p> <ul style="list-style-type: none"> • Published our research and quantitative analysis report, “COVID-19 and Loan Performance: A Focus on Manufactured Housing and Duty to Serve High-Needs Rural Regions.” as well as a summary on FreddieMac.com. • Drew loan data from the National Mortgage Database (NMDB®) Version 18, which contains a random sample representing one in 20 U.S. residential mortgages. <ul style="list-style-type: none"> ○ Accessed loan performance data from two defined time periods: pre-COVID (first quarter 2015 to fourth quarter 2019) and during COVID (first quarter 2020 to first quarter 2022). ○ Considered four main variables for each loan: whether it was in forbearance or delinquency, the home’s geography, and the property type (MH vs. site-built home). Geographies were based on census |

| | | |
|--|--|--|
| | <p>tracts and divided into rural regions and metropolitan areas.</p> <ul style="list-style-type: none"> ○ Also analyzed loan and borrower characteristics contained in the NMDB. Loan characteristics: loan amount, loan-to-value ratio (LTV), loan purpose (purchase vs. refinance), loan type (conventional vs. government backed), debt-to-income ratio (DTI), payment-to-income ratio (PTI), interest rate, government-sponsored enterprise (GSE) loan ownership, and origination term (in months). Borrower characteristics: race and ethnicity, gender, age, credit score, and income. Also included indicators for owner occupancy, Home Ownership and Equity Protection Act (HOEPA) higher-cost status, interest-only loans, and whether the borrower was a first-time homebuyer. ○ To more accurately estimate the relationship between the likelihood of forbearance or default, property type, and geography, completed an analysis controlling for a set of influencers that also impact forbearance/default. Used the pooled probit and the random effects probit models. ● Previewed our findings as part of the “Into the Future: Manufactured Housing Opportunities” session at our Rural Research Symposium. Posted a recording and the presentation on FreddieMac.com. ● Developed an outreach campaign in partnership with representatives of Freddie Mac’s Borrower Help Centers and call-in Borrower Help Network to support owners of manufactured housing and to raise awareness with lenders and servicers. <ul style="list-style-type: none"> ○ Created an integrated marketing and communications plan to increase awareness of the availability of hardship assistance; includes promoting Freddie Mac research and insights, solutions, and education. ○ Determined target audiences by geography based on the research findings. | |
|--|--|--|

| | | |
|---|--|--|
| | <ul style="list-style-type: none"> ○ Built the plan to distribute information and resources on two tracks: through our servicers and Borrower Help Centers to help them support their clients effectively and through Freddie Mac corporate communications channels intended to reach consumers directly. ○ Planned to distribute materials that increase awareness of help available to struggling homeowners. Topics include: <ul style="list-style-type: none"> ▪ Foreclosure/Forbearance assistance ▪ Payment deferrals ▪ Avoiding scams/fraud ▪ Disaster assistance ▪ Working with the loan servicer ▪ Working with Borrower Help Center/Network housing counselors | |
| <p>2. Work in partnership with a non-profit organization and a mission-oriented developer that can deliver manufactured homes at scale to achieve the following:</p> <ul style="list-style-type: none"> ○ Leverage our 2021 research to identify at least one target market to expand deliveries of quality, energy-efficient manufactured homes that are, at a minimum, ENERGY STAR® certified and offer features and options that can broaden the homes’ consumer appeal. ○ Test the concept and feasibility of providing prospective MH buyers with a digital homebuying experience; create a digital marketing plan to promote the concept. | <p>Complete</p> <ul style="list-style-type: none"> ● Worked in partnership with non-profit organization Next Step, mission-oriented developer EquityPlus, Fortis Construction, and Triad Financial Services to launch initiatives that will establish developments using manufactured homes to create housing supply. ● Factored Freddie Mac research on areas of opportunity to expand the use of MH into identifying potential locations for the developments. Selected three municipalities: <ul style="list-style-type: none"> ○ The first development will be Kilpatrick Woods in Hagerstown, Maryland. <ul style="list-style-type: none"> ▪ Comprises 241 CHOICEHome-certified single-family homes on 5,000 square-foot lots, installed in phases. ▪ Is certified to the Enterprise Green Community standard. ▪ Includes open community space, a clubhouse, nature trails, and playgrounds. ▪ Is integrated into the city’s street grid. ▪ Kicked off construction with a groundbreaking event in | |

| | | |
|---|---|--|
| | <p>October, attended by city officials, Freddie Mac, Next Step, EquityPlus, Fortis Construction, Triad, and others; anticipate model homes being available in spring 2023.</p> <ul style="list-style-type: none"> ○ Two developments in Virginia are in early development stages: <ul style="list-style-type: none"> ▪ In Petersburg - Scattered-site development of energy-efficient MH that meet or exceed Version 3 ENERGY STAR requirements in a community of color. ▪ In Harrisonburg - Single-family energy-efficient MH that meet or exceed Version 3 ENERGY STAR requirements in a larger development that includes multifamily and single-family rentals and single-family homes for sale. ● Next Step and Fortis Construction developed an innovative digital homebuying experience for Kilpatrick Woods, similar to the on-line approach available to buyers of site-built homes. <ul style="list-style-type: none"> ○ Introduced a comprehensive web site that offers a range resources: information on and images of the development and model homes, description of the benefits of energy-efficient MH, access to homebuyer education, and a homebuyer's guide with extensive information on MH and the homebuying process. In addition, potential homebuyers can sign up through the site to receive updates. The site will be revised/enhanced at various stages to reflect the development's growth. ○ Before models open to the public, will launch social media campaigns to spark interest and drive potential homebuyers to the web site. | |
| <p>3. Host at least four convenings of real estate professionals, lenders, MH manufacturers, and developers in target markets identified as opportunistic for manufactured housing growth</p> | <p>Complete Hosted and/or participated in 16 in-person and virtual convenings of real estate professionals,</p> | |

| | | |
|--|--|--|
| <p>to showcase manufactured housing as an affordable housing solution.</p> | <p>lenders, MH manufacturers, developers, and appraisers.</p> <ul style="list-style-type: none"> • Co-hosted an event with the Manufactured Housing Institute (MHI) to present findings from our 2021 zoning research, “Identifying the Opportunities to Expand Manufactured Housing,” to MH industry participants, and highlight areas of opportunity to expand MH. • Hosted a webinar to share findings from our 2021 zoning research with our lenders and highlight areas of opportunity to expand MH. • During FreddieMacCONNECT, Freddie Mac Single-Family’s annual seller/servicer event, delivered a session on manufactured housing titled “Breaking through the Challenges: Solutions to Shrink the Housing Supply Gap.” With 348 attendees, this was one of the best attended sessions of the event overall and the second-best attended breakout session. • During Freddie Mac’s Rural Research Symposium, previewed our 2022 research, “COVID-19 and Loan Performance: A Focus on Manufactured Housing and Duty to Serve High-Needs Rural Regions.” • Participated in Next Step’s round table, “Zoning Challenges and Opportunities for Manufactured Housing as a Community Development Solution,” highlighting key findings from our 2021 zoning research. • Presented to Capital Markets Cooperative members on “Manufactured Housing Opportunities for Growth.” • Presented “Affordable Homeownership Opportunities with Manufactured Homes” to the National Foundation for Credit Counseling (NFCC) Board; at the board’s invitation, held a similar session for NFCC members and included information on the opportunities for MH growth based on our research and Freddie Mac financing opportunities. • Presented “Opportunities to Address Inventory Challenges” to Veteran’s Association of Real Estate Professionals (VAREP) to promote MH as a housing option, opportunities for MH growth based on our research, and Freddie Mac financing options. • Presented on opportunities for growth in the manufactured housing market at Freddie Mac’s | |
|--|--|--|

| | |
|--|---|
| | <p>Empower Your Outreach Summit, a forum for real estate professionals.</p> <ul style="list-style-type: none"> • Presented manufactured housing as a housing option to lenders, real estate professionals, and developers in six targeted markets: <ul style="list-style-type: none"> ○ St. Louis, Missouri ○ Independence, Missouri ○ Overland Park, Kansas ○ Ft. Worth, Texas ○ Sherman, Texas ○ San Antonio, Texas |
|--|---|

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 delivered thought leadership and continued to help transform and grow the manufactured housing market through collaboration and innovation. Our quantitative analysis of data drawn from the NMDB provided a first-of-its kind view into forbearance and delinquency rates before and during the pandemic for MH versus site-built homes and in high-needs rural regions versus other parts of the United States. Conducted in response to industry requests for information, our research provided data-driven insights that could help increase lenders’ confidence in financing manufactured homes. Many lenders hesitate to enter the MH space because they have concerns about credit risk – largely based on outdated perceptions and experiences during the Great Recession.

Our findings showed than loans on MH were no more likely – slightly less likely, in fact – than loans on site-built homes to enter forbearance and/or default during the pandemic. Having deeper insights into how well these homeowners’ weather economic strains will enhance understanding and perceptions of MH and the people who

own them, which could lead to more support and acceptance from lenders and from the public. In addition, we raised awareness of potential ways to help mitigate negative impacts on homeowners in the future by highlighting our findings that some pandemic-related relief programs did not reach MH owners and that MH owners may have had less access to information about programs. This research added new perspectives to the insights that we published in previous Plan years, delivering information that industry participants need to make business decisions and grow this market.

Our collaboration with non-profit Next Step, mission-based developer EquityPlus, and Fortis Construction helped lay the foundation to change the paradigm for how manufactured homes are used, advertised, and sold. Kilpatrick Woods can serve as an example for other municipalities on how to increase local housing supply, promote a sense of community, and support local economic development with MH.

Hagerstown has attracted new businesses, including an Amazon warehouse, but housing inventory is tight. People who might fill those new jobs as well as those in working industries that keep the city functioning (for instance, healthcare workers, first responders, teachers, staff at local small businesses) often are priced out of the housing market. Kilpatrick Woods could afford more of them the opportunity to achieve homeownership and begin to build wealth, while living in a vibrant neighborhood near their jobs. With the homes being CHOICEHome® certified, they will look and be financed like site-built homes. In addition, the neighborhood is integrated with the larger community and includes green spaces and recreation areas. Moreover, model homes will be placed and landscaped for potential homebuyers to tour; house hunters will not go to retail sales centers to pick out their manufactured homes. These benefits will make Kilpatrick Woods attractive to a wide variety of homebuyers and showcase MH and such developments as desirable places to live. Hagerstown city officials have expressed their support, including speaking at the groundbreaking event. Similar developments are planned for Harrisonburg and Petersburg, Virginia.



Kilpatrick Woods groundbreaking event in Hagerstown, Maryland

The digital homebuying experience created for Kilpatrick Woods is another part of the shift that we and our colleagues in the development are working to effect. It is in line with the house hunting and buying process common now for site-built homes. Having the convenience of being able to learn about neighborhoods composed of MH and to view homes available for sale on-line will make MH more visible and accessible and help encourage more people to consider buying them. Because first-time homebuyers are a primary audience for the homes, the Kilpatrick Woods site also includes resources to help homebuyers along their homeownership journey. This is not typical of other real estate sites, but Freddie Mac and our colleagues understand the value of homebuyer education in preparing individuals for successful, sustainable homeownership.

Moreover, the messaging on the web site and in promotional materials was purposefully crafted to avoid stereotypes and help sweep away negative perceptions related to MH. Referring to manufactured homes simply as homes could help increase acceptance of factory-built homes. Showing the homes sited and landscaped, rather than just displaying them standalone in retail sales centers, helps portray them as on par with site-built homes. The web content and marketing materials also describe key features of the homes, the types of people expected to live in them, and nearby conveniences. The web site's content will change to keep it relevant as development at Kilpatrick Woods moves through the various phases. Promotion through social and other media will be used to help generate awareness, excitement, and engagement in advance of model homes becoming available. While this is how site-built developments have been promoted for years, it is innovative in the MH

space. We expect a similar digital buying experience to be used for the Harrisonburg and Petersburg developments. It can serve as a model for the industry more broadly.

We also made headway in raising the visibility, image, and potential of manufactured homes through our extensive outreach and education efforts in areas that present high opportunity for expanding MH. Through the numerous events we hosted and participated in, stakeholders from across the ecosystem – including housing counselors, lenders, real estate professionals, and municipal officials – gained knowledge and perspectives on manufactured homes and how they might benefit their communities. We educated participants on this type of housing and replaced long-standing misperceptions with facts about the quality, attractiveness, affordability, energy efficiency, and long-term value of these homes. We highlighted immediate opportunities to use MH to increase housing supply and homeownership based on our research. And we emphasized Freddie Mac’s support for this market.

One example of how making an impression on one attendee can lead to a much wider impact: the executive director of the National Foundation for Credit Counseling (NFCC) attended Next Step’s round table, “Zoning Challenges and Opportunities for Manufactured Housing as a Community Development Solution,” where we shared insights from our zoning research and experience in the market, and then invited us to speak to the NFCC’s board about the opportunities for MH. Being energized by the possibilities for MH, the executive director and the board coordinated an event for their members to learn about manufactured housing opportunities and how it can offer their customers an additional housing option.

As broader examples, housing industry think tanks and MH industry participants contacted us to further discuss our research and they amplified our findings in their publications. These organizations included but were not limited to the Manufactured Housing Institute, the Texas Manufactured Housing Association, and Urban Institute.

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 through our research into loan performance before and during the coronavirus pandemic that the credit risk associated with manufactured homes is about the same as with site-built homes once certain factors are controlled for, contrary to what many lenders believe. Our research revealed that owners of manufactured homes had a lower probability of being in forbearance than site-built homeowners had when we controlled for loan and borrower characteristics. In addition, although delinquency rates were higher for manufactured home loans during the pandemic period than for site-built home loans, manufactured home loans had a lower probability of delinquency than site-built home loans when we controlled for loan and borrower characteristics. Interestingly, manufactured homeowners’ lower probability of forbearance did not translate into higher chances of delinquency. In further analyzing the data by geography as well as property type, we found that manufactured home loans in high-needs rural regions had lower probabilities of being in forbearance and delinquency during the pandemic period than did site-built home loans in those areas. Knowing that MH loans have a lower risk of entering forbearance or delinquency during an economic stress could give more lenders confidence in financing manufactured homes, including those that have been hesitant to reenter the market following significant losses during the Great Recession.

We learned that eligibility for and access to information about housing-cost relief programs enacted during the pandemic to help stem forbearances and delinquencies could have been a significant factor in loan performance. We also concluded, however, that MH owners – especially those in high-needs rural areas – may have less access to information and been eligible for fewer programs. Homeowners could benefit from additional information, provided through a variety of channels, on the resources available. Freddie Mac considered access to information in crafting our marketing plan.

We learned from housing counselors who run our Borrower Help Centers that owners of manufactured homes who come to them for advice on sustaining homeownership typically do not think of their homes in terms of the construction method; like owners of site-built homes, they simply consider their homes as homes. Furthermore, owners of both types of homes face similar challenges. For example, homeowners who had taken advantage of pandemic-related forbearance programs had trouble securing additional relief from their mortgage servicers after the forbearance period. Pandemic-related forbearance did not require the homeowner to qualify for the

relief. Many homeowners continued to struggle financially because of rapidly rising inflation, not necessarily because of events that would qualify them to take advantage of additional workout solutions, such as job losses. With interest rates also rising quickly, workout solutions would not result in lower monthly mortgage payments. The housing counselors told us that homeowners may be hesitant to reach out to their servicers for assistance. That can make them prone to scams by for-profit companies – often promoted through paid-media campaigns – that prey on homeowners’ fears and promise results that never materialize. We incorporated these insights in the marketing strategy that we developed based on the findings of our research into MH loan performance before and during the pandemic.

We learned that younger people have a more positive opinion of MH than earlier generations and are willing to share their views, which can help in dispelling long-held myths about and improving the image of MH. We speculated on this possibility in our 2021 research on zoning and opportunities to expand the use and acceptance of manufactured homes, and an EquityPlus team member described first-hand experience with it. For example, some residents of Harrisonburg, Virginia, opposed using MH for a housing development there based on their negative perceptions of that property type. In contrast, during the public comment period, young professionals stated their support for the project. They said that such a development is exactly what the community needs, and that having access to a more affordable housing type will allow them to achieve homeownership in the community in which they work and desire to live. The endorsement of young professionals helped sway the decision to approve the project.

3. **Optional: If applicable, why was the Enterprise unable to achieve the Plan target?**
Not applicable.