

Exhibit G:
Annual Loan Products Narrative Reporting Template

FREDDIE MAC
 RURAL HOUSING
 2022
 PRODUCT

ACTIVITY:

5 – Support Multifamily Properties in All Rural Areas: Additional Activity

OBJECTIVE:

E – Enhance LIHTC Program to Better Support Non-Profit Ownership at the End of the Compliance Period

INFEASIBILITY:

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

If applicable, provide a concise summary of the underserved market conditions or other extenuating circumstances outside of the Enterprise's control that substantially interfered with accomplishment of the objective.

SUMMARY OF RESULTS:

Provide a concise summary of the actions undertaken under this objective.

Include in the summary a list of any actions or deliverables specified in the objective that were not completed, or actions or deliverables that deviated from the Plan.

To preserve the affordability of properties with Low-Income Housing Tax Credits (LIHTC), Freddie Mac worked with its LIHTC equity syndicators to develop language for inclusion in LIHTC project partnership agreements that identifies certain circumstances when a project general partner (GP) would have to consent to a transfer of a limited partner (LP) interest in the project partnership. The language helps alleviate the concern (typically expressed by a non-profit GP) that an LP could transfer its interest to a party not committed to maintaining the property's long-term affordability. By maintaining the alignment of interests of the GP and LP, the language will make it less likely that a transferee of the LP interest would, among other things, stifle a non-profit GP's ability to obtain complete ownership of a LIHTC property through the exercise of its statutory right of first refusal (ROFR) at the end of the initial 15-year Compliance Period. This language, which has since been tailored for use with each syndicator but is substantially the same, was initially used in a subset of transactions with certain syndicators in 2021 and is now available for use in all LIHTC project transactions in which Freddie Mac's LIHTC equity funds invest. In 2022, as syndicators worked through their existing pipeline of transactions, the language was made available to all syndicators, but not used universally. Instead, we engaged with our syndicators to identify the transactions for which the language was most suitable, and while we initially focused on nonprofit developers working on transactions where affordability was a long-term concern, we found that both nonprofit and for-profit developers were receptive to using the language. For 2023, we will work with our syndicators to expand the use of the language in all of those transactions.

<i>Objective's components detailed in the Plan</i>	<i>Corresponding actions or deliverables</i>	<i>Any deviations from the Plan (if applicable)</i>
Starting in 2022, we will include this language in our standard partnership agreement(s) or suitably equivalent	Complete While we intended this language for non-profits, we found that for-profit GPs	

document governing the ownership of a project with a non-profit general partner. We will make this available through all of our LIHTC syndicators.	similarly want to preserve affordability. Thus, the impact of the actions taken to meet our objective exceeded our initial goal.	
--	--	--

SELF-ASSESSMENT RATING OF PROGRESS:

Select the category that best describes progress on this objective for the year.

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

PARTIAL CREDIT JUSTIFICATION:

If the self-assessment above indicated that the objective was partially completed, briefly explain the basis for the share of the objective that was completed. In the explanation, include a discussion of the level of effort expended for the completed actions compared to the level of effort required to complete the entire objective.

IMPACT:

Provide a self-assessment of the level of impact that actions under the objective have accomplished.

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

IMPACT EXPLANATION:

Answer the following questions.

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?

As part of the LIHTC program, nonprofit GPs typically have the right to obtain ownership of LIHTC properties at a minimum purchase price equivalent to the outstanding debt plus exit taxes at the end of the Compliance Period. However, affordable housing advocates and some nonprofit/profit developers have raised concerns that some holders of the LP interest in LIHTC partnerships (who may have purchased their interests from the initial LIHTC investor) have sought to unreasonably limit the circumstances in which the ROFR may be exercised, limiting the ability of GPs to preserve affordability. Freddie Mac provided its form language to all syndicators in early 2022, and they implemented it in the first half of 2022 as existing pipeline transactions closed and as we worked with them to determine the most appropriate transactions for its use. These provisions, which in some cases were customized for use by each syndicator and GP, will help maintain GP ownership of LIHTC properties and preserve affordability after Freddie Mac’s investment partnership transfers its LP interest. As noted above, the language has been used in some transactions involving for-profit GPs as well, and so it creates a template that a broad set of investors with a focus on long-term affordability preservation may choose to follow

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

Freddie Mac plays an important role in ensuring continued affordability at LIHTC properties, including maintaining non-profit control. We learned that there is overall concern in the LIHTC marketplace that, in the event of an LP transfer, the transferee may also try to disrupt affordability at the property. The new language we made available for use in lower-tier, project partnership agreements helps to prevent this from happening.

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.

Exhibit C:
Second Quarter Loan Products Narrative Reporting Template

FREDDIE MAC

RURAL

Q2: JANUARY-JUNE 2022

PRODUCT

ACTIVITY:

5 – Support Multifamily Properties in All Rural Areas: Additional Activity

OBJECTIVE:

E – Enhance LIHTC Program to Better Support Non-profit Ownership at the End of the Compliance Period

SUMMARY OF RESULTS:

To help preserve the ability of non-profit General Partners (GPs) to exercise the Right of First Refusal (ROFRs), Freddie Mac has developed language for our inclusion in partnership agreements involving non-profit GPs which is intended to prohibit the Limited Partner (LP) interest from being sold to a party that has a history of attempting to frustrate the effect of Section 42(I)(7) ROFRs. This language was used in only a subset of transactions in 2021, and we added an objective in our 2022-2024 Duty to Serve Plan to make this language available for all transactions with non-profit GPs going forward in order to help preserve non-profit control (Note: the language would apply to both for profit and non-profit GPs).

By doing this we are establishing an important standard for LIHTC transactions with non-profits for a vital issue that has received a great deal of attention. The Limited Partner Transfer language we have developed will help non-profits maintain ownership of LIHTC properties and preserve affordability past the expiration of the Compliance Period. This language sets a template that other investors with a focus on long-term affordability preservation may choose to follow.

Actions	2022 Achievements through 2Q
1) Include this language in lower tier partnership agreement(s) or suitably equivalent document governing the ownership of a project with a non-profit general partner. We will make this available through all of our LIHTC syndicators.	Completed <ul style="list-style-type: none"> On 3/28/22, the Limited Partner Transfer language was distributed to all of our syndicator partners, completing our activity described in our 2022 objective in the 2022-2024 Duty to Serve plan.

(Character limit: 3,000 characters, including spaces)

SELF-ASSESSMENT RATING OF PROGRESS:

Select the category that best describes progress on this objective for the reporting period.

- On-target to meet or exceed the objective
- Progress delayed and/or partial completion of the objective expected
- Unlikely to achieve any milestones of the objective

ADDITIONAL INFORMATION (IF APPLICABLE):

N/A