

Exhibit D:
Annual Loan Products Narrative Reporting Template

FREDDIE MAC
 RURAL HOUSING
 2025
 LOAN PRODUCT

ACTIVITY:

5 - Support for Certified Community Development Financial Institutions Serving the Rural Housing Market: Additional Activity

OBJECTIVE:

A - Design Product Flexibilities to Facilitate Origination of Conventional Mortgages from Community Development Financial Institutions

INFEASIBILITY:

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

SUMMARY OF RESULTS:

Freddie Mac exceeded our goals under this objective to gather feedback on the underwriting flexibilities that we introduced in 2024 for community development finance institutions (CDFIs) through a term of business (TOB) as well as expand its adoption and use. Above and beyond the stated goals, we enhanced the TOB to allow lenders other than CDFIs to make the TOB flexibilities available to third-party originators (TPOs) that are CDFIs and serve as aggregators, delivering TPO loans to Freddie Mac.

Objective’s components detailed in the Plan	Corresponding actions or deliverables
<p>1. Gather feedback through direct engagement with CDFIs that adopted the TOB introduced in 2024 to help identify potential enhancements that could help increase loan production.</p> <p style="padding-left: 20px;">a. Conduct working sessions with CDFIs that have the TOB and have delivered loans under the TOB to Freddie Mac to gather insight into strengths and areas for improvement.</p> <p style="padding-left: 20px;">b. Conduct working sessions with CDFIs that have the TOB but have not delivered</p>	<p>Complete</p> <ul style="list-style-type: none"> • Conducted a working session with staff members from each of the three CDFIs that adopted the TOB to collect feedback that could help in identifying potential enhancements to drive production. <ul style="list-style-type: none"> ○ At the time of these targeted conversations, none of the CDFIs had delivered loans to Freddie Mac under the TOB. ○ Two of the TOB holders delivered loans later in the year. • During monthly conversations, asked the CDFIs about their experiences with the TOB and barriers to using it to benefit their borrowers. • Met with leadership of one of the CDFIs during their annual meeting to discuss opportunities to use the TOB and other relevant Freddie Mac offerings in the organization’s footprint. Similarly, held a focused conversation with leadership of another of the CDFIs to discuss barriers to using the TOB.

<p>loans under the TOB to gain insight into obstacles preventing loan originations and deliveries.</p>	<ul style="list-style-type: none"> Based on feedback gathered, enhanced the TOB to expand access to the flexibilities: Allow lenders other than CDFIs to enter the TOB if they agree to act as aggregators for CDFIs that are TPOs and extend the TOB flexibilities to them.
<p>2. Obtain commitment from at least two additional CDFIs that can support direct selling relationships with Freddie Mac to adopt the TOB and/or to serve as aggregators to expand access to the secondary mortgage market.</p>	<p>Complete</p> <ul style="list-style-type: none"> Entered the TOB with two additional lenders. One is an aggregator with a large network of TPOs; the other has the capacity to serve as an aggregator. Updated the earlier version of the TOB for existing TOB holders to extend additional aggregation flexibilities to them. Raised awareness of the TOB during industry conference events to help generate additional interest and adoption.
<p>3. Provide technical assistance to support CDFIs that enter into the TOB. For example, conduct individual walk-throughs to help ensure that each CDFI understands the TOB terms, educate each CDFI on how to originate and deliver loans to Freddie Mac, and provide each CDFI with a single point of contact for support.</p>	<p>Complete</p> <ul style="list-style-type: none"> Provided technical assistance to support the two CDFIs that entered the TOB in its adoption. <ul style="list-style-type: none"> Assigned each CDFI a dedicated point of contact, who conducted individual discussions and walk-throughs to help ensure thorough understanding of product components and effective implementation strategies. Provided job aids to CDFI staff members for reference. For CDFIs with the original TOB, discussed the new flexibilities. Offered technical assistance.
<p>4. Engage FHLBs to gain insight into their CDFI programs and potential synergies.</p>	<p>Complete</p> <ul style="list-style-type: none"> Met with staff members from five FHLBs to discuss general opportunities to collaborate to expand each other's impacts. <ul style="list-style-type: none"> Atlanta Dallas Des Moines Indianapolis Pittsburgh Discussed their level of CDFI support and membership during those conversations. Because they said that they have few CDFIs members and, therefore, the potential impact would be far smaller than anticipated when we created our 2025-2027 Duty to Serve Plan, decided not to pursue collaboration with FHLBs in this space. Modified related Year 2 actions out of our Plan.

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?

Our achievements under this objective laid the foundation to make a large impact by deepening relationships with CDFIs and helping to boost their ability to create homeownership opportunities in high-needs rural regions. Our engagement with FHLBs also helped identify broader opportunities for support toward shared goals.

The feedback that we collected from CDFIs on their experience with the TOB gave us valuable insights into how we might enhance its flexibilities during the Plan cycle. Our information-gathering efforts also showed our commitment to this market and provided additional opportunities for CDFIs to share their thoughts on how to increase the offering's effectiveness.

In fact, their feedback motivated us introduce an update in 2025 – above and beyond the efforts outlined in our Plan. Extending the TOB flexibilities to lenders that are not CDFIs but agree to serve as aggregators for CDFIs will allow more CDFIs to originate loans that meet our requirements and deliver them to us, thereby increasing liquidity in high-needs rural regions.

Following one working session, the CDFI's staff reviewed their pipeline and delivered a loan under the TOB. This CDFI now requires its staff members to consider the TOB when making lending decisions and to review the pipeline for opportunities to take advantage of the TOB. This CDFI now also tells housing counselors about the offering so that they can make potential homebuyers aware of its benefits. Another CDFI delivered a loan under the TOB later in the year.

Both CDFIs that entered the TOB in 2025 are strategically important for two main reasons. First, they expect to use it to benefit their own borrowers as well as to extend the terms to CDFIs in their networks and act as aggregators. This will create channels into the secondary mortgage market for a more diverse set of CDFIs. Second, together, the TOB holders cover the high-needs rural regions. Because the flow of liquidity to these areas is low, our loan purchases will make a meaningful difference to rural households and communities.

The technical assistance that we provided to the CDFIs that entered the TOB in 2025 included individualized consultations to support implementation and rollout. The three CDFIs with the original TOB have assigned points of contacts who provide support as needed. Our regular meetings with each of the approved CDFIs offer opportunities to continue to discuss their experiences with the TOB, ideas for further improvement, and any need for technical assistance.

Because of our outreach efforts during conferences and individual conversations, more lenders and other industry professionals know about our CDFI TOB and other offerings and that could help their potential borrowers attain and sustain homeownership. The discussions held during these events also provided additional opportunities to exchange ideas for product enhancements and to strengthen relationships across the ecosystem.

Although our discussions with FHLBs did not have the expected outcome regarding CDFIs, they highlighted other opportunities for collaboration that expand each other's market impacts. We will build and strengthen relationships with FHLBs in the coming year and plan to help further each other's programs where we see synergies.

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 conversations with TOB holders that operational circumstances or other policy requirements have limited their use of the TOB flexibilities. For example, staff members of one CDFI said they considered using the TOB in conjunction with a program for homeowners whose homes were damaged by flooding, but program requirements related to the builder and sources of financing prevented it. They also said that the vastness of their operating area makes gaining traction with the TOB challenging. Logistically, it is difficult to reach people to raise awareness of the opportunities and benefits that the TOB offers and encourage its use. Staff members of another CDFI mentioned that, because of turnover, some staff members may be unaware of TOB or how to apply it. Furthermore, as we have found across underserved markets, internal processes affect the rate of adopting new or updated offerings, even when lenders understand the value of offerings. The speed to market depends on lender priorities as well as the need for resources, systems updates, new internal policies, and training. The process can take a year or more. Offerings that involve systems changes take the longest to implement. Even for larger aggregators that might have more staff than others, they may maintain prioritization schedules that are set a year in advance. Freddie Mac will continue to engage with the TOB holders and other CDFIs to offer support toward adopting and integrating the offering into their businesses more effectively.

We also learned that extending eligibility for the TOB to include lenders that are not CDFIs but agree to serve as aggregators for CDFIs could significantly increase access to the flexibilities. This could expand smaller CDFIs' ability to support homeownership opportunities and their access to secondary market liquidity. We updated the TOB accordingly.

In addition, we learned that FHLBs focus less on CDFIs than we anticipated while developing our 2025-2027 Plan. Our impression based on initial interactions was that FHLBs have significant numbers of CDFI members and aim to bolster membership of and support for these organizations. However, our conversations with staff members of several FHLBs as part of this Plan objective revealed that they have relatively few CDFI members and currently are focusing their efforts on other priorities. Accordingly, we removed tactics from our Plan related to collaborating with FHLBs on a strategic approach to engaging CDFIs.

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

Not applicable.