

Exhibit H:
Annual Outreach Narrative Reporting Template

FREDDIE MAC

AFFORDABLE HOUSING PRESERVATION

2019

OUTREACH

ACTIVITY:

6 - Energy or Water Efficiency Improvements on Multifamily Rental Properties: Regulatory Activity

OBJECTIVE:

A - Publish an Annual Study on Energy and Water Efficiency Through the Green Advantage Program

ACTIONS:

In 2019 Freddie Mac published a whitepaper analyzing the impact of our Green Advantage program and released property level data on the planned and completed improvements made to properties through the program.

Objective's components detailed in the Plan	<i>Corresponding actions taken</i>	<i>Explanation of any deviations from the Plan (if applicable)</i>
Collect and analyze estimated and available actual energy efficiency data collected from Green Assessment reports and Energy Star Portfolio Manager on Freddie Mac Green Advantage loans to facilitate easier analysis as that data becomes available. In the second year of the Plan, we expect to receive actual efficiency data through Portfolio Manager, as more green improvements are completed and post-improvement data is captured in Portfolio Manager, as more green improvements will have been completed and data captured.	<p>Complete We collected and analyzed estimated and available actual energy efficiency data collected from Green Assessment reports and Energy Star Portfolio Manager on Freddie Mac Green Advantage loans.</p> <p>As anticipated, we began receiving actual performance data on properties that received Green Advantage loans. These are properties that received financing during the initial months of the Green Advantage program.</p>	
Require collection of at least 10 percent of tenant data as a requirement of the program.	<p>Complete We required the collection of a minimum 10% of tenant data and documented this requirement in our loan documents. In 2019 we also instituted a requirement that borrowers must use a qualified third-party consultant (Benchmarking Data Consultant) to collect, input and monitor energy</p>	

	and water consumption usage in Portfolio Manager.	
<p>Publish a report identifying and analyzing energy- and water-efficiency measures selected through Freddie Mac Green Advantage loans. This data will at least include the following:</p> <ul style="list-style-type: none"> a. Basic property information b. Geographic location of properties c. Type of property d. Potential green improvements, e. Improvements selected by borrowers f. Actual savings based on previous year 	<p>Complete We published this report on 12/11/19. We captured and analyzed all of the data points identified in our DTS plan (full list identified below). Key findings from our analysis are discussed below.</p>	
<p>Post the report on our website and promote it to the public through a press release.</p>	<p>Complete We published the report to our website on 12/11/19 and promoted with a press release and on social media. The report has received 2,227 LinkedIn impressions. On our website page we received 192 web page views and 69 downloads as of 1/31/20.</p>	
<p>Publish underlying property level data for public analysis including the following information:</p> <ul style="list-style-type: none"> a. Property state b. Property county c. Year built d. Number of units e. Property type (for example, garden, high-rise, mid-rise) f. Type of savings pursued (energy/water/both) g. Green improvement measures pursued h. Projected savings of measures i. Projected Savings overall based on selected measures j. Estimated costs of measures k. Post-improvement consumption metrics (as this data becomes available, recognizing that it will take up to two years or more until work is completed on the properties and post-improvement consumption can be tracked) 	<p>Complete Freddie Mac provided the underlying property level data for public analysis on 12/23/19.</p> <p>This dataset can be found here: https://mf.freddiemac.com/docs/green_advantage_dataset_2019.xlsx</p> <p>All the fields set forth in the plan have been included. A summary of the dataset provided can be found here: https://mf.freddiemac.com/docs/green_advantage_dataset_2019.pdf</p>	

SELF-ASSESSMENT RATING OF PROGRESS:

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

- 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

IMPACT:

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

- 50 – Substantial 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? (limit: 3,000 characters, including spaces)**

Across all years of the Green Advantage program, tenants are projected to save an average of \$197.23 per unit per year. This makes housing measurably more affordable and increases the amount of money available to spend on other necessities. Impactful savings include water improvements projected to save 6.1 billion gallons in water per year, which is the equivalent to filling the Tidal Basin in Washington, D.C. 24 times. Projected energy savings per year is just under 2.8 billion kBtu, which is enough energy to power roughly 76,000 homes.

Our research in 2019 expands upon the baseline market understanding of the costs to implement certain energy and water efficiency improvements and associated savings that we created in 2018. In 2019 we captured far more data on energy efficiency as a result of borrowers selecting more energy improvements, which, based on our analysis, typically have high tenant benefit.

The publication of the data will further reduce the uncertainty that has impeded this market's development prior to the GSEs involvement. In 2017 and 2018 borrowers with Green Advantage loans focused on water-efficiency improvements, which were highly cost effective. When we increased the loan qualification standards to require energy-efficiency improvements, the market was concerned that cost of improvements would rise to uneconomical levels. Through our research we found that higher energy saving standards can also be met by

cost-effective approaches. The projected average cost for improvements per unit was \$464 with a total of \$270 million of projected improvements as of the end of the third quarter of 2019.

To the best of our knowledge our Green Advantage dataset is the largest source of data available to the public free of charge, with 2,128 properties and 8,361 green improvements. Other sources of data are either proprietary (such as data used by green consultants) or are largely based on commercial properties such as office buildings. Freddie Mac is leading the industry by publishing data that can be used by borrowers, developers, and lenders to continue to support green improvements in multifamily real estate. With our additional data in 2019, we gain new insights into the types of improvement that can reduce tenant costs and make multifamily housing stock more efficient.

2. What did the Enterprise learn from its work about the nature of underserved market needs and how to address them? (limit: 1,500 characters, including spaces)

As a result of our experience in the market and our analysis of that experience in our whitepaper, we have identified multiple important lessons.

- a. Previously the market lacked clarity as to what it meant to make green improvement in workforce housing, and which improvements were economically feasible. Now, we have tangible data on costs of improvements, projected savings, and projected returns on investment, as improvements are completed.
- b. As we raised our green improvement standards, our borrowers have learned ways to make the improvements in a more cost-effective manner while still meeting higher standards for minimum energy and water efficiency improvements.
- c. While challenges still exist in collecting tenant data, we realized better ways to capture tenant data. We provide these through our Benchmarking Data Collection Guide, which set the market standard for data collection.
- d. We identified both energy and water efficiency improvements that have direct benefits to tenants. Savings are generally attributed to tenants for in-unit energy and water improvements as they are directly billed by the utilities or charged the cost by owners. For energy-efficiency improvements, in-unit LED Lighting, HVAC thermostats and insulation saw the largest increase based on borrower improvement selections from the last reporting period, while kitchen and bathroom aerators and showerheads saw similar selection increases.

3. Optional: If applicable, why were all components of this objective not completed? (limit: 1,500 characters, including spaces)

Not applicable

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