

**Exhibit G:
Annual Loan Products Narrative Reporting Template**

FREDDIE MAC

MANUFACTURED HOUSING

2021

PURCHASE

ACTIVITY:

3 - Manufactured Housing Communities Owned by a Government Entity, Non-Profit Organization, or Residents: Regulatory Activity

OBJECTIVE:

C – Purchase Resident-Owned Community Loans

ACTIONS:

	Units	Transactions	UPB
Baseline (2017-2019)	-	1	\$1.7MM
2021 Target (lesser of)	-	1	-
2021 Volume	125	1	\$4.6MM
Incomes Targeted			

Finding and funding Resident-Owned Community loans is extremely difficult. Even with Freddie Mac and our lenders taking active steps to find properties in need of financing, through conferences and discussions with individual ROC experts, very few potential transactions are available. Despite these difficulties, Freddie Mac purchased one loan secured by a ROC in 2021: Seal Beach Shores. This loan was atypical due to its 20-year loan term, which does not fit into our typical securitization structures. Despite not being able to securitize this loan, we opted to pursue it for the impact it would have on the property’s residents. To aid in identifying future transaction opportunities, we continue to promote our prior ROC loan purchases and their replicability through press releases and news stories on our website.

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?

The transaction we completed in 2021 was a uniquely high-impact transaction for its market. With 125 units, the Seal Beach Shores Resident-Owned Community is the only affordable housing in Seal Beach, which is an extremely expensive area in Orange County, California. Our loan reduced the property's monthly debt service by 40%, which leaves more funds available for property operations and potentially even more affordable annual dues for residents.

Refinancing Seal Beach Shores was nearly a 4-year process – there were many complex aspects of the transaction, including paying off state bonds that had previously financed the property, and the onset of the COVID 19 pandemic made the closing process more difficult and time consuming. Freddie Mac became involved in facilitating the refinance since 2019 (two years after the community started its process to consider refinancing its debt). By comparison, typical investor-owned MHC transactions take approximately 90 days from start to finish, and MHC ROCs typically take no more than 120 days to process. The completion of Seal Beach Shores and our persistence, patience, and perseverance demonstrate our commitment to the MHC ROC space and achieving the goals we set.

Broadly, we believe this offering has the potential to both provide an outlet for current ROC financing providers and establish standards to enable other MHC financing providers, such as Freddie Mac's existing Multifamily seller/servicers, to enter and further develop this market. Having a stable capital source for senior debt will provide consistent liquidity available to this market. Today, ROC financing is dependent upon select originators and investors, which makes the market narrow. With the introduction of a new product and future loan purchases, we can open this market to a wider range of private capital. This will remove barriers that restrict growth in the ROC market and enable the provision of a renewable source of capital. Our previous transactions were precedent-setting. Through press releases and deal stories that summarize the transactions, we promoted their replicability. As with these transactions, continued liquidity can enable ROCs to refinance their high interest rate existing debt into a longer term MHROC loan that materially reduces their operating expenses and leaves more funds for community needs.

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

For a ROC loan to initiate, the property must currently be owned by residents seeking to refinance, or, in case of a conversion, the following must happen: a community must be put up for sale, the residents must want to own their community, a sophisticated tenant group must be appropriately organized to purchase, sufficient equity or equity-equivalent financing must be available, specialized debt financing products must be available, adequate technical assistance must be provided, and the seller must choose to sell the community to the residents. It is very rare that all these factors combine to enable a transaction. This long list of requirements is lengthened by

<p>other factors. In the case of refinances, properties must show a history of stable operation and professional management of the community and borrowing entity. Also, and perhaps most importantly, the prevailing financing model in the market is not conducive to either significant growth or attracting the private-capital investment at scale necessary to distribute risk away from the public. ROCs generally require subordinate debt with foreclosure rights in addition to the senior loan, bringing the combined loan-to-value over 100. This falls well outside typical credit parameters for the GSEs.</p> <p>Financing for ROCs is generally provided by CDFIs or banks using specialized products that often require considerable leverage with combined loan amounts in excess of the appraised value of the property. Additionally, these loans have limited secondary market outlets, which is one of many factors contributing to the relatively small size of this market.</p> <p>We have funded on a case-by-case basis, leveraging current policies. As a result, we have learned first-hand the challenges of financing ROCs.</p> <p>3. Optional: If applicable, why were all components of this objective not completed? Not applicable.</p>

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