

Exhibit H:
Annual Outreach Narrative Reporting Template

FREDDIE MAC
 RURAL HOUSING
 2022
 OUTREACH

ACTIVITY:

1 – High-Needs Rural Regions: Regulatory Activity

OBJECTIVE:

C – Facilitate Thought Leadership and Research Related to Housing and Mortgage Financing in Rural Communities

SUMMARY OF RESULTS:

Freddie Mac met our 2022 goals under this objective, hosting our fourth annual Rural Research Symposium to bring together thought leaders from across the housing ecosystem and producing industry-requested, first-of-its-kind research into the effects of the coronavirus pandemic on loan performance in high-needs rural regions.

Objective’s components detailed in the Plan	Corresponding actions or deliverables
<p>1. Host a Rural Research Symposium all or in part via a virtual platform that focuses on new research and insights developed since the 2021 symposium on rural mortgage markets to better understand who is being served and the effectiveness of mortgage products, services, and financing as well as the effect on communities, consumers, and financial institutions.</p>	<p>Complete</p> <ul style="list-style-type: none"> • Held the fourth annual Rural Research Symposium via a virtual platform. • Had more than 300 attendees from academia, government agencies, financial institutions, non-profit agencies, and Freddie Mac. • Delivered research findings on the following topics: <ul style="list-style-type: none"> ○ Panel sessions: <ul style="list-style-type: none"> ▪ Market Watch: Housing Trends ▪ Mapping the Way: Rural Homeownership – Movement and growth in high-needs rural regions, including Appalachia and Colonias (new focus) ▪ Exploring Sustainability: Housing and Environmental Risks – Effects of natural disasters and environmental changes on the population and policy options (new focus) ▪ Into the Future: Manufactured Housing Opportunities – Millennials and the future of MH ownership, MH production, and loan performance before and during the pandemic (new perspective on a continuing topic)

	<ul style="list-style-type: none"> <ul style="list-style-type: none"> <ul style="list-style-type: none"> ▪ Housing Affordability: Rural Rental Markets – Factors that affect affordability and approaches to identifying high opportunity areas (new slant on a continuing topic) ○ Keynote: The Injustice of Place: Uncovering the Legacy of Poverty and Housing Hardships in America – Impacts of historic and current poverty challenges; inequalities in housing, infrastructure, and education; and other economic patterns (deeper exploration of a continuing topic) • Provided opportunities for attendees to interact with each other and made presentations and resources available during the symposium through the platform’s Resource Center. Materials were downloaded more than 250 times. • Posted recordings of all of the sessions and the related presentations on Freddie Mac’s Rural Research Symposium Insight Videos web page. • Promoted the event through an integrated, multipronged campaign: <ul style="list-style-type: none"> ○ E-mail - 27 in total, including six calls for research, sent to previous attendees and new invitees in addition to announcements in Freddie Mac Single-Family Lender News ○ Digital - Symposium web page, employee e-mail signature graphic with a link to the web page, video teasers included in e-mail ○ Social media - Posts to Freddie Mac’s accounts as well as by individual employees and speakers to raise awareness and encourage registrations 	
<p>2. Conduct research on the impact of the coronavirus pandemic on loan performance of borrowers in rural areas including high-needs rural regions and whether forbearance stemmed further delinquency. Present findings at the Rural Research Symposium.</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,” and a summary on our web site. • 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 tracts 	

	<p>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 and 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. <ul style="list-style-type: none"> ● Previewed our findings as part of the “Into the Future: Manufactured Housing Opportunities” session at our Rural Research Symposium. Posted a recording of the session and the presentation on FreddieMac.com. 	
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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 continued our industry leadership in developing and sharing unique insights as well as facilitating collaboration across the ecosystem to motivate focus on improving housing and homeownership in rural America.

At our fourth Rural Research Symposium, attendance increased year-over-year, with more than 300 participants from across the ecosystem. This reflects continued interest across stakeholder groups, confirms the value the symposium brings to the market, and acknowledges Freddie Mac's leadership in and commitment to the rural space.

The symposium highlighted thought-provoking research findings into matters that affect housing in rural communities and potential solutions. Presenters shared new insights on topics of continuing and rising interest:

- Macroeconomic trends
- Impact of natural disasters on migration and housing
- Policies to lower barriers to creating more energy-efficient and sustainable homeownership opportunities
- Impact of historic and current poverty challenges, inequalities in housing, infrastructure and education and other economic patterns
- Intersection of policy, demographics, and the manufactured housing market
- Factors influencing affordability of rental housing opportunity for rural households

Attendees again found the symposium valuable, as reflected in their responses to a post-event survey. On average, 91% of survey respondents gave the content of each session the highest ratings. In addition, on average, 92% of survey respondents gave each session's speakers the highest ratings.

To make the research widely available and bring more people into the conversation, we posted recordings of the sessions and the supporting presentations to our [Rural Research Symposium Insight Videos](#) web page on FreddieMac.com.

The symposium's continuing success reflects the industry's need for such a knowledge-sharing forum and Freddie Mac's industry leadership. The deeper understanding, relationships, and energy that the annual symposium inspires can encourage the broader industry to explore opportunities and create possibilities for improving the quality of life in rural communities.

Freddie Mac typically previews our new research at the Rural Research Symposium, and we continued the trend in 2022. 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 manufactured homes (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 and published in full at year-end, our research provided data-driven insights that could influence lenders' confidence in lending in high-needs rural regions and on manufactured homes. Our findings showed that the overall likelihood of any loan being in forbearance was about the same in areas defined as high-needs rural regions under the Duty to Serve rule and metropolitan areas during the pandemic period. On the other hand, loans in high-needs rural areas and other rural regions had a greater chance of delinquency than those in metro areas. However, rural areas contained 65% of the manufactured home loans in our dataset, MH 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. Having deeper insights into how well 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.

Our research also 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 homeowners in high-needs rural areas 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 enhance support for underserved markets.

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 during the Rural Research Symposium that internal migration from coastal metropolitan areas into non-metro areas accelerated during the pandemic. Most of the movement consisted of households seeking more space and more affordable homeownership opportunities. In addition, a strong labor market led to very low unemployment rates and faster rebound in rural markets than in other areas. While home price increases have slowed nationwide as interest rates have risen rapidly, home prices have slowed less in rural markets than in metro areas because of the factors described along with the continuing shortage of rural homes available for sale. These trends underscore the need to build and preserve affordable homes in rural regions throughout the United States.

We also learned that low-income households in urban and rural areas are vulnerable to high energy-cost burdens, but those burdens are larger for rural households: Low-income households in urban areas carry energy-cost burdens twice the national average, while the burden on low-income households in rural areas is three times greater than the national average. More energy-efficient and sustainable housing solutions are needed to help mitigate these costs.

Freddie Mac's support for financing home purchases and refinances with low down payments as well as renovations, repairs, and energy- and water-efficiency improvements is vital to making home possible and affordable in rural areas. Manufactured homes, which typically cost less than site-built homes and are more prevalent in rural areas, are eligible for all of these financing options. We have found that individuals in the Millennial and Generation Z cohorts want to own homes but often are priced out of the market. They also express concerns for energy efficiency and appear generally more open to the idea of buying factory-built homes than earlier generations. Therefore, manufactured housing particularly presents an opportunity for Millennial and Generation Z households to attain and sustain homeownership.

Freddie Mac learned from our research that the likelihood of any loan being in forbearance during the pandemic statistically was about the same for homes in high-needs rural regions and metropolitan areas. However, loans in high-needs rural regions and other rural areas had higher probabilities of delinquency than loans in metro areas. Eligibility for and access to information about housing-cost relief programs enacted during the pandemic to help prevent forbearances and delinquencies could have been a significant factor contributing to this. We also concluded, however, that homeowners in high-needs rural areas may have less access to information about relief options; in addition, those owning manufactured homes may have been eligible for fewer programs. Homeowners could benefit from additional information, provided through a variety of channels, on the resources available.

When further analyzing the data by geography as well as property type, 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.

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

Not applicable.