

Exhibit G:
Annual Loan Products Narrative Reporting Template

FREDDIE MAC
MANUFACTURED HOUSING
2023
LOAN PRODUCT

ACTIVITY:

1 – Support for Manufactured Homes Titled as Real Property: Regulatory Activity

OBJECTIVE:

B – Design New Product Flexibilities to Facilitate the Origination of Mortgages Securing Manufactured Housing Titled as Real Property in Tribal Areas

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 introduce a mortgage offering to support conventional mortgage lending on manufactured homes titled as real property in tribal areas.

Above and beyond launching our HeritageOneSM product, we introduced six policy updates to help further expand affordable lending and access to credit more generally for manufactured homes:

- Removed the age restriction for single-wide manufactured homes not located in planned unit developments or condominium projects and removed the requirement for lenders to have a term of business to sell these loans to Freddie Mac.
- Provided additional guidance to clarify how to calculate the loan-to-value ratio for an existing manufactured home located in a manufactured home subdivision.
- Clarified that appraisers must use site-built homes for CHOICEHome[®] comparable sales when CHOICEHome comparable sales are not available.
- Permitted eMortgages for manufactured homes in certificate of title states (those with certain requirements for canceling and surrendering the title when converting from personal to real property).
- Specified information that the appraiser must be given before the manufactured home is attached to the land and provided additional guidance around using the cost approach for appraisals.
- Updated title seasoning requirements to facilitate cash-out refinance transactions:
 - Reduced the required length of time that at least one borrower must be on title to the subject property from at least 12 months to at least six months prior to the note date when the property is owned free and clear.
 - Clarified that the borrower must own both the manufactured home and the land for at least 12 months before the note date when the property is encumbered.

Action	2023 Achievements
<p>1. Publish updates to our Single-Family Seller/Servicer Guide to support MH located in tribal areas, based on the information gleaned through outreach conducted in Year 1.</p>	<p>Complete</p> <ul style="list-style-type: none"> • Published our HeritageOneSM mortgage policies, including manufactured home eligibility requirements, in Selling Guide Bulletin 2023-13 and Servicing Guide Bulletin 2023-14, with an effective date of October 2, 2023. The policies reflect input gathered through numerous interactions with stakeholders in Year 1 and early in Year 2. • Conducted extensive outreach to tribes, tribal entities, Native community development financial institutions (NCDFIs), and other stakeholders across the ecosystem to raise awareness and understanding of HeritageOne and its benefits. <ul style="list-style-type: none"> ○ Activities included but were not limited to industry conference presentations and interactions, webinars, features in Single-Family Lender News, articles on FreddieMac.com, a video and a podcast, and training materials. ○ For further description, see Rural_HN_Populations_2_A_Narrative_2023.

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 have a very large impact on individuals and in communities nationwide. With the launch of HeritageOne, lenders gained a conventional mortgage offering designed to meet the housing finance needs of American Indian and Alaska Native households in tribal areas, including tribal trust, allotted trust, and fee simple lands. Given the relative affordability of manufactured homes, we purposefully included them among the eligible property types. According to [Prosperity Now](#), nearly three times as many households on tribal lands live in manufactured housing than the national average. Furthermore, based on [research](#) by the Center for Indian Country Development at the Federal Reserve Bank of Minneapolis, almost half of all home loans to Native borrowers in census tracts that included tribal lands were for manufactured homes. To make HeritageOne widely available quickly, we made members of the more than 225 tribes on HUD's Section 184 Participating Tribes List eligible to use the offering, instead of requiring each tribe to enter a memorandum of understanding with Freddie Mac. HeritageOne reflects our commitment to fulfilling our mission and helping to make home possible and affordable across the country. It offers Native households an affordable, supportive option for financing homes on tribal lands and enables Freddie Mac to increase liquidity in both the manufactured housing and rural markets.

Tribal organizations and lenders who provided input during our product development efforts have told us that these additional features make HeritageOne particularly relevant and meaningful:

- Not setting an upper income limit on borrower eligibility, unlike some other tribal offerings, to maximize participation.
- Providing insurance flexibilities to help make monthly mortgage payments more affordable:
 - Not requiring title insurance if a certified title status report is obtained from the U.S. Department of the Interior's Bureau of Indian Affairs.
 - Reducing mortgage insurance coverage requirements.
- Allowing the homebuyer to use down payment assistance for as much as 100% of the down payment. Eligible Native tribes with established DPA programs may provide the source of funds. This flexibility addresses borrowers with limited reserves and enables borrowers with limited savings to keep funds in reserve for future expenses and potential financial stress.
- Allowing appraisers to use the cost-based approach to determine a property's value, which can be more accurate in rural areas when comparable sales are unavailable nearby.
- Providing a credit to the borrower to help offset appraisal costs, which can be comparatively high in tribal areas.
- Allowing the borrower to combine HeritageOne with mortgage offerings in Freddie Mac's renovation suite – CHOICERenovation®, CHOICEReno eXpress®, GreenCHOICE® – to finance improvements that equip the homes to better meet homebuyers' and homeowners' needs.
- Maintaining the tribe's right of first refusal in the case of default on fee simple land, preventing investors and speculators from purchasing the home.
- Permitting proceedings to take place in the tribal – instead of federal – court system in the case of foreclosure, acknowledging the tribe's sovereignty.

The relationship that we established with a servicer experienced in the Native mortgage market created the option for lenders that want to offer HeritageOne financing but might not have the confidence or desire to service the loans they originate. This approach will encourage more lenders to participate in lending to Native households in tribal areas.

To raise awareness of HeritageOne and its benefits, we conducted extensive industry outreach and education through on-line and in-person forums. Events attracted significant audiences from across the Native housing

ecosystem. Significant numbers of lenders expressed interest in HeritageOne and applied for the term of business, given the size of this market. The response highlighted the need for such a mortgage product to help increase lender participation and the flow of liquidity to tribal areas.

Beyond our stated 2023 actions under this Plan objective, we introduced several policy updates in response to industry feedback and our continuing efforts to make financing manufactured homes faster, easier, and more accessible, while maintaining safety and soundness. For example, removing the age restrictions for loans on single-section manufactured homes not located in a planned-unit development or condominium project expands the pool of homes eligible for financing as well as cuts the costs and streamlines the process of originating these loans. Also, allowing all Freddie Mac lenders to sell loans on single-section homes to us – rather than requiring a term of business – increases lending opportunities and access to credit in support of affordable homeownership.

In addition, the guidance that we added around the loan-to-value (LTV) calculation for an existing home in a manufactured home subdivision helps increase lenders' confidence in determining the LTV and qualifying homes for financing.

Moreover, two policy updates related to appraisals help increase efficiency and accuracy, which could lead to more lending for manufactured homes. Providing additional details about appraisal requirements helps ensure that lenders provide the documentation that appraisers need to determine opinions of value accurately, thereby increasing the quality and accuracy of appraisal reports. Plus, clarifying that site-built home comparable sales must be used when CHOICEHome comparable sales are unavailable enables appraisers to value CHOICEHome properties more accurately. This policy update helps assure manufacturers, developers, and lenders supporting CHOICEHome developments that the appraised values will support the construction costs.

The policy update to allow eMortgages for manufactured homes in certificate of title states streamlines and simplifies the loan closing process, increases efficiency, and reduces costs. In addition, because we previously allowed eMortgages for manufactured homes in certificate of title surrender as well as non-certificate of title states, lenders now have a single eMortgage process for manufactured homes, regardless of a state's titling requirements.

Also, updates to our cash-out refinance requirements enable more homeowners to take advantage of the equity that they have built in their homes. When the land is owned free and clear, at least one borrower must be on title for at least six months before the note date, instead of 12 months. For encumbered properties, the borrower must have owned the home and land for at least 12 months before the note date.

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 that building trust over time with Native tribes, tribal housing organizations, and NCDIFs and lenders as well as working to understand the unique aspects of Native housing and homeownership are essential to creating a relevant, meaningful mortgage solution for financing homes in tribal areas. Our purposeful approach to engaging with key stakeholders enabled us to gain understanding of the gaps and pain points that market participants experience with other Native mortgage offerings and to help address them in developing HeritageOne.

Trust and relationships came into play in other ways as well. We learned that, while they are well-versed in tribal lending, NCDIFs lack the experience and infrastructure to deliver loans directly to Freddie Mac. Developing partnerships with Freddie Mac-approved aggregators would be mutually beneficial, and we are working to make such connections. The NCDFI and the aggregator both would be supporting additional lending opportunities through HeritageOne and facilitating much-needed liquidity. Also, NCDIFs could help educate lenders on navigating tribal governments and courts, in case of delinquent loans. HeritageOne also allows NCDIFs to provide any required pre- and post-purchase homebuyer education and counseling services.

We learned that lenders may be willing to support mortgage financing on tribal lands but may not have the experience or desire to service those loans, given the unique aspects and complexities of the tribal land structure, tribal governments, and involvement of the Bureau of Indian Affairs. Accordingly, we engaged a

qualified specialty loan servicer to give lenders an option to release servicing rights for the HeritageOne mortgages that they originate.

In addition, we clarified that appraisers must use site-built homes for comparable sales in appraising the value of CHOICEHome-certified homes when CrossMod™ comparables are unavailable. The additional details will mitigate the potential for homes to be undervalued. We also added details for completing appraisals using the cost approach as well as recommended that appraisers attend the Appraisal Institute course on appraising manufactured homes.

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

Not applicable.

Exhibit C:
Second Quarter Loan Products Narrative Reporting Template

FREDDIE MAC
 MANUFACTURED HOUSING
 Q2: JANUARY-JUNE 2023
 LOAN PRODUCT

ACTIVITY:

1 – Support for Manufactured Homes Titled as Real Property: Regulatory Activity

OBJECTIVE:

B – Design New Product Flexibilities to Facilitate the Origination of Mortgages Securing Manufactured Housing Titled as Real Property in Tribal Areas

ACTIONS:

Freddie Mac achieved our goal under this objective to introduce an offering to support conventional mortgage lending on manufactured homes in tribal areas.

Action	2023 Achievements through Q2
1. Publish updates to our Single-Family Seller/Servicer Guide to support MH located in tribal areas, based on the information gleaned through outreach conducted in Year 1.	Complete <ul style="list-style-type: none"> • Published our HeritageOneSM mortgage policies, including manufactured home requirements, in Selling Guide Bulletin 2023-13 and Servicing Guide Bulletin 2023-14, with an effective date of October 2, 2023. • Conducted outreach to tribes, tribal entities, Native community development financial institutions, and other stakeholders across the ecosystem, building on Year 1 efforts. • Finalized the product terms. • Received FHFA’s approval to make HeritageOne available through our Single-Family Seller/Servicer Guide.

SELF-ASSESSMENT RATING OF PROGRESS:

- 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):

Not applicable.