

Exhibit G:
Annual Loan Products Narrative Reporting Template

FREDDIE MAC

MANUFACTURED HOUSING

2019

PRODUCT

ACTIVITY:

4 - Manufactured Housing Communities with Certain Pad Lease Protections: Regulatory Activity

OBJECTIVE:

B - Develop Pilot Offering for Borrowers That Institute Duty to Serve Tenant Protections

ACTIONS:

Freddie Mac launched the MHC Tenant Protection incentives program June 26, 2019. In August 20, 2019, we published a press release featuring our first two Manufactured Housing Communities (MHC) Tenant Protections deals, demonstrating the quick market adoption. As of December 3, 2019, we have purchased eight loans on MHCs with tenant protections across seven states, with seven unique borrowers and a total UPB of \$88MM. We worked with two different Optigo lenders on these deals. So far, seven of the eight deals have successfully securitized through our K-Deal execution.

Objective's components detailed in the Plan	<i>Corresponding actions taken</i>	<i>Explanation of any deviations from the Plan (if applicable)</i>
1) Publish a term sheet on our website for an offering that incentivizes or recognizes borrowers who adopt the full complement of Duty to Serve-compliant tenant protections through state law, voluntary adjustments to their leases, or a combination of the two.	<p>Complete</p> <p>On June 26, 2019, as part of the launch of the MHC Tenant Protections incentives, we published an expanded Manufactured Housing Community Loan Term Sheet with a new section devoted to MHC Tenant Protections requirements. Adding these incentives to our flagship MHC offering ensured maximum visibility of the new incentives and made clear that any MHC loan is eligible for these incentives so long as the borrower complies with the requirements.</p> <p>The incentives include preferential pricing and up to a \$10,000 rebate for third-party reports available to borrowers who agree to include all eight of the MHC Tenant Protections in all homeowner leases within 12 months after loan origination. The incentives come with annual compliance checks and a one-time 2% penalty should the borrower be found out of compliance.</p>	

<p>2) Term Sheet contains the following elements:</p> <ul style="list-style-type: none"> a. Product overview and loan purpose b. Borrower and/or property eligibility requirements c. Loan-to-Value limits d. Debt coverage limits e. Allowable lengths of loan term f. Allowable lengths of amortization g. Required tenant protections to be found in lease terms, in state law, or in the combination thereof 	<p>Complete As noted above, the MHC Tenant Protections incentives were added to the existing MHC Term Sheet, ensuring that all loan requirements are easily identifiable.</p>	
<p>3) Engage one or more seller/servicers and one or more MHC sponsors to test and refine the pilot concept. Because of the absence of a market for MHCs with the specific set of Duty to Serve tenant protections, this pilot will be available nationally to communities affordable to residents who make 100 percent of AMI or less, based on FHFA's recommended estimation method.</p>	<p>Complete We launched this offering enhancement to all of our MHC Optigo lenders. As of 12/3/2019, we have purchased 8 loans with MHC Tenant Protections for a total of \$88MM.</p>	
<p>4) Provide one to three training sessions to internal production and underwriting covering product parameters and underwriting guidelines.</p>	<p>Complete On April 25, 2019, we held our first internal training with key MHC underwriting and production staff. On June 26, 2019, as part of the launch of the MHC Tenant Protections, we held a second internal training session with all of our MHC underwriting and production staff. Only two training sessions were necessary as all key participants attended. As part of the training, we prepared and circulated a PowerPoint presentation. We posted the PowerPoint presentation on our internal Freddie Mac SharePoint to allow our staff easy access at any time. In addition, we created a Job Aid to address any changes when processing MHC Tenant Protections loans.</p>	
<p>5) Provide one to three training sessions to Freddie Mac Seller/Servicers covering product parameters and underwriting guidelines.</p>	<p>Complete On June 26, 2019, as part of the launch of the MHC Tenant Protections, we held one external training with our Optigo Lenders. We prepared and circulated a PowerPoint presentation. We published the PowerPoint presentation on our external Freddie Mac Website to allow Optigo Lenders easy access at any time.</p>	

	To further promote MHC Tenant Protections, on August 20, 2019, we published a press release featuring our first two MHC Tenant Protections loans.	
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(Character limit: 3,000 characters, including spaces)

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)**

Our product offering represents substantial progress toward increasing tenant protections at MHCs, which can improve the homeowner experience. In two years, we have educated the market about the status of state laws enforcing MHC tenant protections and created an offering that explicitly implements each DTS tenant protection. Our impact has gone from theoretical to practical as we have greatly exceeded our target by purchasing 8 loans under this offering, across 7 different states, with 7 different borrowers for a total UPB of \$88MM. Based on 2019 loan purchases, 1,387 homeowners will have their leases updated to include all of the MHC Tenant protections within one year of loan origination. Two of the MHCs serve residents that are 55 years or older.

Feedback on our offering terms from community owners has been positive. An operator at Diamond Lake Village in Mundelein, Illinois received financing from PNC Bank through Freddie Mac. The operator stated, “the expanded MHC offering with tenant protections serves one of the last non-subsidized housing markets left where homes are affordable and accessible to a wide range of people. And it helps us (operators) preserve capital, so we can put money into the property while still turning a profit – it’s a win/win.” Another operator stated, “including these protections in the lease is an easy, clear way to communicate the benefits to the

homeowner. It also helps save money that I can then reinvest into the community, it's a great product and I am interested in doing more deals."

These loan purchases and positive feedback demonstrate that we effectively designed offering terms to incentivize community owners to implement tenant protections above and beyond those required by state laws.

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)

Our analysis in 2018 suggested that successfully implementing an MHC offering that incentivizes community owners to implement the DTS tenant protections would be highly challenging, as community owners were generally unreceptive to four of the protections, especially the "right to sell the manufactured home in place within a reasonable time period after eviction by the manufactured housing community owner," and the "right to receive at least 60 days' notice of planned sale or closure of the manufactured housing community" (owners were particularly concerned with the notice of planned sale, as they viewed it as disruptive to community operations).

In 2019 we learned that borrowers were more receptive to the protections than previously understood, particularly given the way we structured out offering, which offered an effective incentive package and allowed community owners a reasonable period of time to put all protections in place.

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

Not applicable

Second Quarter Loan Products Narrative Reporting Template

FREDDIE MAC

MANUFACTURED HOUSING COMMUNITIES

Q2 2019

EVALUATION AREA: PRODUCT

ACTIVITY:

Activity 4 – Manufactured Housing Communities with certain pad-lease protections: regulatory activity

OBJECTIVE:

Objective B: Develop pilot offering for borrowers that institute Duty to Serve tenant protections

ACTIONS:

Freddie Mac is on track to meet or exceed this objective. In 2019, we planned to publish a term sheet, engage one or more lenders and one or more MHC sponsors to test the terms, and provide training to internal staff and our lenders.

In the first half of 2019, we updated our MHC offering term sheet to include parameters and incentives for MHCs that institute DTS tenant protections. By leveraging our flagship MHC offering as the basis for MHC’s with tenant protections, we are better able to incorporate the concept of tenant protections into our normal course of business and potentially achieve greater market adoption. We trained internal staff and our lenders. Finally, we also received signed applications for two transactions meeting our criteria in the first half of the year—a 60-unit community in Florida, and a 62-unit community in Illinois. We purchased loans on these communities in July 2019. But for our updated offering, it is unlikely the owners of these communities would have instituted the full complement of DTS tenant protections.

Planned Actions	Actions Taken
<i>Publish a term sheet on our website for an offering that incentivizes or recognizes borrowers who adopt the full complement of Duty to Serve-compliant tenant protections through state law, voluntary adjustments to their leases, or a combination of the two.</i>	<i>Completed. Published an updated MHC offering term sheet inclusive of DTS tenant protections and incentives for adopting them.</i>
<i>Engage one or more seller/servicers and one or more MHC sponsors to test and refine the pilot concept.</i>	<i>Completed. Engaged with two lenders and two MHC sponsors in our first two transactions testing the offering.</i>
<i>Provide one to three training sessions to internal production and underwriting staff covering product parameters and underwriting guidelines.</i>	<i>Completed. Provided one internal training to production and underwriting staff</i>
<i>Provide one to three training sessions to Freddie Mac seller/servicers covering product parameters and underwriting guidelines.</i>	<i>Completed. Provided one external training to our MHC seller/servicers</i>

SELF-ASSESSMENT RATING OF PROGRESS:

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

- 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):

N/A