

Exhibit H:
Annual Outreach Narrative Reporting Template

FREDDIE MAC

AFFORDABLE HOUSING PRESERVATION

2021

OUTREACH

ACTIVITY:

9 - Support Residential Economic Diversity: Additional Activity

OBJECTIVE:

G - Conduct and Publish Research on Rental Housing and the Opportunity to Rent in High Opportunity Areas Defined in LIHTC QAPs

ACTIONS:

In December 2021, Freddie Mac completed a whitepaper that compares zoned density and permitted use with QAP-defined High Opportunity Areas. The paper breaks out the prevalence of multifamily housing and single-family rental (SFR) housing both in and out of High Opportunity Areas. We compared housing distributions nationally and across three very different markets: Chicago, IL, Columbus, OH, and Fairfax County, VA. We then published these results in a white paper on our website and promoted it with a press release, and later on social media.

Objective’s components detailed in the Plan	Corresponding actions taken	Explanation of any deviations from the Plan (if applicable)
1) Explore the prevalence and character of rental housing in high opportunity areas defined by LIHTC QAPs to understand both the existing rental housing stock and the incoming rental stock.	Complete Nationally ¹ and across our select markets, we compare the proportion of rental housing at various levels of AMI within and outside of High Opportunity Areas. We also make this comparison for proportion of units with rent-restrictions or rent assistance. Across markets, we analyze the availability of SFR versus multifamily, in and out of high opportunity areas.	
2) Identify trends and/or characteristics related to the absence or prevalence of rental housing in high opportunity areas.	Complete Same as above.	
3) Analyze the relationship between current zoning and the current and incoming rental housing stock in select high opportunity areas.	Complete The paper focuses on the dense city of Chicago, IL, the sparse city of Columbus, OH, and the large, populous county of Fairfax County. We compare the specific zoning makeup of each area, as well as current and incoming housing distributions.	

¹ Our national analysis only included counties with at least one QAP-defined High Opportunity Area census tract.

<p>4) Publish a report analyzing the opportunities to find and develop rental housing in high opportunity areas and the relationship between zoning and those opportunities.</p>	<p>Complete The paper discusses the affordability of rentals in and out of high opportunity areas. We also discuss the concentration of SFR and multifamily rentals. Using pipeline data of new multifamily construction, we identify the concentration of new multifamily units in and outside of high opportunity areas. Finally, we break out how zoning for only single-family homes versus multifamily rentals varies when in or out of high opportunity areas.</p>	
<p>5) Report will be published on our website, promoted with a press release, and shared on social media so that research organizations, advocacy organizations, and lenders have access to the work.</p>	<p>Complete The paper was published on our website December 30th, 2021 and promoted on social media. See supporting materials for social media statistics.</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?

The paper’s analyses combine zoning with QAP-defined High Opportunity Areas, a less researched field, to understand the feasibility of affordable multifamily housing in the currently utilized definition of opportunity areas. The findings highlight the importance of zoning in creating opportunity for renters: single-family-only zoning, which inhibits multifamily construction, is more prevalent in High Opportunity Areas. Additionally, where we do find rental housing in High Opportunity Areas, these rentals are the least affordable and have fewer regulatory restrictions.

The ability to move to high opportunity areas—and further residential economic diversity—is dependent upon the prevalence of affordable rental housing options in those areas and the local market conditions. Access to this housing is uneven within and across markets, and there is not likely a single answer to increasing rental housing in all markets. This research provides localities, rental housing stakeholders, developers, and capital providers with information on how the rental housing stock is distributed. This data gives interested stakeholders a better understanding of how they might direct their efforts over time to achieve both near and long-term improvements in residential economic diversity, maximize the opportunities available with current and forthcoming housing stock, and plan for future increases in affordable housing that can be achieved in local markets. This research will help us, and other relevant stakeholders, assess how to further the preservation or creation of—and access to—rental housing in high opportunity areas.

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

The background thinking that informed our paper is rooted in the many conversations we’ve had with industry stakeholders and researchers. As we have done for several years, we met with these experts to further our own knowledge while releasing our conversations for the public benefit. In advance of our research, we spent considerable time with academics and professionals to discuss zoning and high opportunity as it relates to renter opportunity. We held these conversations both privately and in public podcasts. On and off the podcasts, we spoke with Jenny Schuetz, Emily Hamilton, and David Williams. They provided great insight on our podcasts, which were released to the public.² Independent of the podcasts, we spoke with several organizations, such as Zoneomics, Community Data Platform, and Urban Footprint, to learn more about ongoing work regarding zoning data.

Per our analysis, the housing in high opportunity areas is the least affordable. While single-family-only zoning appears to be most prevalent in high opportunity areas and therefore a potential cause of these problems, the complexity of the zoning and its market impacts warrant more research. The localness of zoning is illustrated in how ordinances and maps are drawn across the country. Even within a city, various neighborhoods or boroughs may exempt themselves from the city ordinance and create their own ordinance, their own coding, their own maps. Our paper shows the market for affordable rentals is focused outside of high opportunity areas and that multifamily properties built in high opportunity areas, are typically unaffordable to low-income renters.

3. Optional: If applicable, why were all components of this objective not completed?

Not applicable.

² Relevant podcasts released June 11, 2021; June 23, 2021; August 18, 2021; December 13, 2021.

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