

Exhibit H:  
**Annual Outreach Narrative Reporting Template**

FREDDIE MAC

AFFORDABLE HOUSING PRESERVATION

2021

OUTREACH

**ACTIVITY:**

11 – Sustainability and Resiliency: Additional Activity

**OBJECTIVE:**

A – Conduct and Publish a Report on Resiliency Efforts within Multifamily Housing

**ACTIONS:**

In 2021 Freddie Mac published a white paper addressing multifamily resiliency efforts and identifies the importance of these measures for those disparately impacted by disasters and climate change.

Objective’s components detailed in the Plan	Corresponding actions taken	Explanation of any deviations from the Plan (if applicable)

<p>1. Conduct research and publish a report that examines what resiliency means in the context of multifamily housing and how public policy and private market solutions can minimize current and future environmental risk. Freddie Mac will provide a detailed explanation of why resiliency is critically important to the rehabilitation and preservation of older and existing multifamily properties and why increasing resiliency efforts is crucial to improving the lives and cost-savings to tenants. The paper will contain information on the following:</p> <ul style="list-style-type: none"> <li>a. Existing resiliency efforts and strategies available to multifamily housing, specifically focusing on resiliency efforts benefitting low- to moderate- income renters             <ul style="list-style-type: none"> <li>i. Disparities that minorities and low- to moderate-income renters experience as a result of natural disasters and aging housing stock</li> </ul> </li> <li>b. Examples of effective public policy solutions and private market investment strategies aimed at increasing resiliency in the affordable multifamily housing market. This report will analyze how the combination of public policy and private market solutions can most effectively increase resiliency in affordable multifamily housing, and provide a baseline foundation for future research on property-level resilient improvements.</li> <li>c. State and local energy policies and codes that further resiliency efforts</li> </ul>	<p><b>Complete</b></p> <p>We published a research paper on resiliency efforts in affordable multifamily housing where we examined different public policy and private market solutions, and how they can be used together in order to further renters’ ability to stay safe in their homes following a natural disaster. The paper contains information all matters delineated in ‘a’ through ‘d’.</p>	<p>n/a</p>
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<p>specifically for low- to moderate-income renters</p> <p>d. Considerations on strategies, methods and concepts on potentially scalable solutions for how to improve resiliency in multifamily properties that will benefit low- and moderate-income renters</p>		
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<p>2. This report will be published on our website, distributed to research organizations, advocacy organizations, and the Seller/Service network, and will be promoted with a press release</p>	<p><b>Complete</b> We published the report Resiliency Efforts in Affordable Multifamily Housing on our website on 12/23/21 and promoted it with a press release on 12/27/21. We promoted this report on social media as well, which reaches research and advocacy organizations. See supporting materials for social media statistics.</p>	
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**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?

Our research explored why resiliency in multifamily housing is important and the disparate impacts and challenges low-to-moderate and minority renters face when living in a community affected by a natural disaster. This research was the first of its kind from Freddie Mac to meet in a need in the market by examining several public policy and private market efforts to addressing resiliency, and discussing how public and private efforts could work in unison to achieve a greater desired impact.

Living in a resilient multifamily property provides greater safety and security and can create better health outcomes for tenants and the community as a whole. A property with resilient improvements and design has a greater likelihood of withstanding a natural disaster, allowing more residents to remain safe in their homes and lowering the risk of tenant displacement and the need for temporary housing.

We identified a variety of public and private approaches to addressing resiliency in multifamily housing, some of which were specifically targeted at reducing the negative impact felt by underserved renters. We looked at several public policy solutions aimed at addressing resiliency for low-to moderate income renters and property owners such as FEMA’s Building Resilient Infrastructure and Communities Program, the National Flood Insurance Program, building codes, and LIHTC incentives for resiliency in Qualified Allocation Plans (QAPs). We also looked at private market efforts to address resiliency such as insurance premium reductions, financial-based incentives and specialized financing like C-PACE for resiliency measures. The efforts identified are impactful at increasing resiliency in affordable multifamily housing and reducing the risk of hardship, expenses, and/or damages after a natural disaster.

This research helped us lay the foundation for future impact in addressing underserved market needs both through further research and loan product development. We briefly examined LIHTC incentives for resiliency in QAPs in this report, and this inspired our 2022 research project to conduct a deeper analysis of natural disaster mitigation, preparedness or recovery provisions. This research is included in the 2022-2024 Duty to Serve plan and will allow us to better target our efforts in order to increase resiliency in affordable rental housing and serve more vulnerable populations. Our work in this report also helps to inform our loan offering development to incentivize resiliency improvements at multifamily properties. The effort to develop this loan offering is an important objective in both our 2022-2024 Duty to Serve plan and our 2022-2024 Equitable Housing Finance Plan.

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

There are a variety of different approaches to addressing resiliency in affordable multifamily housing, as well as a variety of factors that cause disparate impacts to be felt among low-to-moderate income renters. Stakeholders in both the public and private sector have been working to increase the resiliency of affordable properties and tenants who live in them, though there is still a disconnect on which efforts can be combined to achieve the greatest impact.

In our research we found geographic disparities of low-income and minority populations living in the floodplain. For example, in the combined floodplain, Hispanic and Black individuals comprise 36% of the population, compared to 29% nationally, low-income individuals represent 16% of the combined floodplain population compared to 15% nationally, and 14% of high-poverty census tracts are in the combined floodplain compared to 10% of high-poverty census tracts nationally. Lower-income individuals are also more vulnerable to direct threats to their safety and well-being in the face of a natural disaster, as those who have the funds can evacuate and secure temporary housing more easily.

Adaptable approaches to increasing resiliency in multifamily housing are increasingly important for individuals across the country, especially vulnerable populations. Only a small number of programs, however, focus on improving resiliency proactively, and most existing public programs are reactive in nature. Comprehensive and organized resiliency efforts that combine proactive and reactive measures are relatively new, and limited at present, but can serve as a foundation for future resiliency innovations at the property level.

Greater attention needs to be paid to the challenges low-income and minority communities face, and how resiliency efforts can help to address these challenges. Work also needs to be done to develop loan offerings to advance property level resiliency improvements.

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

Not applicable.

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