

Exhibit H:

Annual Outreach Narrative Reporting Template

FREDDIE MAC
RURAL HOUSING
2021
OUTREACH

ACTIVITY:

2 – High-Needs Rural Populations: Regulatory Activity

OBJECTIVE:

B – Increase Technical Expertise in Indian Areas

SUMMARY OF RESULTS:

Freddie Mac met our goals under this objective in 2021, working closely with Native organizations to increase their capacity and capabilities to assist tribe members in preparing for sustainable homeownership opportunities. We delivered these results and achievements during the coronavirus pandemic and under market conditions that required Freddie Mac, lenders, and other industry participants to keep priorities and resources flexible.

2021 highlights:

- In collaboration with Enterprise, we established the Native Homeownership Learning Communities Cohort (Native Cohort) to build capacity of participating organizations enabling homeownership programming. This initiative provided participants with technical assistance, peer learning opportunities, and resources to tackle obstacles and create additional homeownership opportunities in their communities. We also familiarized members with the conventional lending process and Freddie Mac’s affordable lending products. Membership included 18 Native financial organizations from nine tribal communities across seven states.
- We completed development with South Dakota Native Homeownership Coalition (SDNHC) of an on-line resource bank for Native housing practitioners. It offers tools and templates for classroom and one-on-one homebuyer educational training, including webinars, case study models, and best practices for successful instructional delivery. The site also includes tools for successfully discussing the importance of homeownership with tribal leaders.
- In cooperation with SDNHC and Oweesta Corporation (Oweesta), we held a one-day virtual lender symposium, “Empowering Native American Homeownership,” which brought together representatives of a wide array of organizations to help further the development of offerings to support mortgage lending on tribal lands.
- During regular Center for Indian Country Development (CICD) Lending Systems Focus Group subcommittee meetings, we exchanged insights and ideas as well as raised awareness of Freddie Mac products and offerings.
- With our partnership, Credit Builders Alliance (CBA) continued to raise awareness among home-rental agencies and landlords about how rent reporting to credit bureaus helps Native Americans strengthen their credit profiles. Because of the pandemic, the level of renter participation remained steady or saw a slight decrease compared to 2020. Our partnership allowed CBA to provide memberships to 14 Native organizations, giving them access to credit-building tools, learning materials, updates, news, and access to their member network.

- In support of the growing interest in single-wide manufactured homes as an affordable housing solution in Indian Country and our preparations to create a lending offering for tribal lands, we expanded the eligible property types for our mortgages to include single-wide manufactured homes sited outside of planned unit development (PUD) and condominium projects.

Objective's components detailed in the Plan	Corresponding actions or deliverables
<p>1. Work in partnership with a non-profit organization that supports lending activities in Indian areas to create a training module on packaging conventional loans for the secondary market. This module will be used to train at least 40 industry professionals from non-profit organizations and Native CDFIs to help them become more familiar with Freddie Mac product offerings and facilitate the use of conventional financing in Indian areas.</p>	<p>Complete</p> <ul style="list-style-type: none"> • Developed a webinar, in partnership with Enterprise, that provides an overview of the lending process on fee-simple and trust land. Covered the types of mortgage loans, the secondary market, Duty to Serve, our Home Possible® offering, and sweat equity. <ul style="list-style-type: none"> ○ Held three training sessions for a total of 72 professionals from 41 organizations. ○ The sessions were held separately for Enterprise's membership, the Native Cohort, and the Association of Alaska Housing Authorities (AAHA). ○ The inaugural session was posted to Facebook, garnering 274 views. • Hosted a webinar, Empowering Native American Communities with Lending and Homeownership Opportunities, with SDNHC and Oweesta members. <ul style="list-style-type: none"> ○ The webinar familiarized a broader audience with our product offerings to facilitate conventional financing in Indian areas. Topics of discussion included an overview of Freddie Mac's role in the secondary market, the affordable lending ecosystem, Home Possible and its underwriting requirements, sweat equity, and aging housing stock. ○ This educational event was a precursor to establishing a lender symposium, Empowering Native American Homeownership, grounding participants in our offerings as we create a conventional lending path for tribal trust land. ○ Attendance: 168 professionals from 125 organizations • Enterprise hosted a webinar, as part of the Native Cohort established with Freddie Mac's support in 2020, focused on legal codes and mortgage ordinances to support mortgage lending on trust land. Topics included legal infrastructure required, default process before a foreclosure action is filed by a lender, and the judicial process involving mortgage foreclosure and eviction. Attendance: 85 participants
<p>2. Engage at least two lenders serving tribal areas to establish direct or indirect selling relationships that can support future loan purchase activities in Indian areas.</p>	<p>Complete</p> <ul style="list-style-type: none"> • Engaged four lenders that have expressed interest in potentially providing aggregation for lending on tribal lands.

<ul style="list-style-type: none"> a. Educate the lenders on integrating with Freddie Mac’s systems and on our affordable lending offerings to enable them to deliver loans to us. b. Enhance existing product offerings based on the lenders’ feedback, making operational adjustments necessary to facilitate mortgage lending in Indian areas. 	<ul style="list-style-type: none"> ○ All four attended our lender symposium and committed to the participating stakeholders that they would finance properties on trust land and serve as aggregators for Native CDFIs and other institutions that are not Freddie Mac-approved sellers. ○ The lenders shared their experiences and best practices during the symposium. ○ One lender not already actively lending on tribal land expressed interest in working with Native CDFIs to better understand the unique aspects of the lending and servicing processes. ● Hosted a symposium in conjunction with SDNHC and Oweesta to provide broad-based education and inform the creation of a mortgage offering for use on tribal trust lands. The symposium afforded Freddie Mac the opportunity to engage with several additional lenders. Topics included: <ul style="list-style-type: none"> ○ Mortgage lending process on trust land ○ Strategies to mitigate foreclosure and liquidation risks ○ Tribal jurisdiction ○ How Native CDFIs can operationalize conventional lending ○ Feedback on tribal product offering requirements ○ How to set up a working relationship with an aggregator ● Symposium participants represented many organizations in the housing ecosystem, including CDFIs (includes Native CDFIs), tribally designated housing entities (TDHEs), lenders, housing finance agencies, FDIC, HUD, and potential lender aggregators. ● Implemented product enhancements based on industry feedback that support mortgage lending on tribal lands. <ul style="list-style-type: none"> ○ Allowed financing for single-wide manufactured homes sited outside of PUDs and condominium projects with Freddie Mac’s prior approval. ○ Removed the requirement that at least one borrower be on the title to the land on which a manufactured home will be sited for at least 12 months before the effective date of permanent financing for no cash-out refinance construction conversion mortgages.
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SELF-ASSESSMENT RATING OF PROGRESS:

- Target met
- Target exceeded
- Objective partially completed:

No milestones achieved

PARTIAL CREDIT JUSTIFICATION:

If the self-assessment above indicated that the objective was partially completed, briefly explain the basis for the share of the objective that was completed. In the explanation, include a discussion of the level of effort expended for the completed actions compared to the level of effort required to complete the entire objective.

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 had a significant impact on this market, expanding tribal organizations’ capacity and capabilities to support affordable lending and sustainable homeownership opportunities on federally declared tribal land.

The Native Cohort established in partnership with Enterprise gave participants access to knowledge and tools that assist in tackling impediments to homeownership and creating homeownership opportunities in their communities. The initiative was designed to meet the need to build organizational capacity within tribal organizations to deliver homeownership programming.

The Native Cohort achieved this goal through training, peer learning, and resources. It was structured to prompt participants to form teams, with multiple organizations from one tribe or region working collaboratively toward their homeownership programming goals; teams included Native CDFIs to foster peer learning and forge lasting relationships. Participants learned about developing a housing needs assessment, legal codes, indigenous home design, the secondary market and Freddie Mac’s Home Possible® mortgage product, foreclosure prevention, building codes, and holistic community development. Members also completed the [Enhancing and Implementing Homeownership Programs](#) curriculum, the creation of which Freddie Mac supported.

The initiative made the following accomplishments possible:

- Participating organizations held a total of 112 meetings with tribal leaders or government officials, engaging them on the importance of homeownership programming.
- 10 organizations garnered support from a tribal council for land or funds to support homeownership efforts.
- 11 organizations built and maintained partnerships with other Cohort members to support homeownership opportunities.

- About half of the participating groups worked to develop or enhance foreclosure prevention programs.
- 8 members completed housing needs assessments or made progress in implementing this practice in their organizations.
- 6 participants developed or are developing business plans for their homeownership programs.
- 83% of participants stated that they had at least 10 clients apply for mortgages while the Native Cohort was operating, compared to 40% of respondents reporting the same in the year prior.

The Empowering Native American Homeownership symposium, held in partnership with SDNHC and Oweesta, showed leadership and promoted collaboration and the exchange of ideas toward developing a conventional mortgage lending product for tribal areas. It afforded participants the opportunity to engage with lenders, CDFIs, TDHEs, and other members of the housing ecosystem to discuss the current lending landscape, gaps in the market, and features that would be beneficial in a mortgage solution for tribal areas. Through this forum, participants took advantage of opportunities to network through conversations and working group sessions, which laid the foundation for the future interactions and potential partnerships necessary to drive adoption of the planned conventional offering.

In addition, the manufactured housing product enhancements that we rolled out laid the foundation for additional incremental policy changes under a conventional offering specific to the treatment of the land type (e.g., allotted trust land, tribal trust land) that will support financing of MH in tribal areas. Demand for homeownership has been growing among American Indians and Alaska Natives (AIAN) in tribal areas, and manufactured housing continues to be an affordable housing solution in Indian Country; 49% of all home loans to AIAN borrowers in census tracts that included tribal lands are for manufactured homes.¹ Expanding property eligibility to include financing for single-wide MH will help more individuals with very low, low, and moderate incomes become homeowners; single-wide homes cost considerably less than multi-wide homes. Also, policy changes around the land-ownership seasoning help widen the pool of potential homebuyers eligible for mortgage financing.

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 more about the complexities of originating and servicing mortgage loans on tribal trust land and the difficulty in attracting lenders to this segment. In talking with lenders about possibly starting to lend in tribal areas and potentially serving as aggregators, they reiterated that they would have to make a considerable investment in establishing and/or managing specialized processes to support the activity for a comparatively small business opportunity. Other Duty to Serve activities involving relatively small market opportunities have raised similar trade-off conversations with other lenders. We found that we can serve as a catalyst within the ecosystem in such situations, identifying mission-oriented lending institutions and connecting those that are interested in the opportunity with subject matter experts (including other lenders already active in the market) that can share best practices and advice on creating efficiencies. In this way, we can help bring the market to scale.

In addition, we confirmed the importance of staying open to customer feedback and incorporating suggestions to better serve the market, while maintaining safety and soundness. Increasing access to credit – especially for very low-, low-, and moderate-income households – requires many small changes to existing product offerings over time and collaboration across the ecosystem.

¹ “Race, location, and manufactured-home loans on American Indian reservations”; Federal Reserve Bank of Minneapolis; Richard M. Todd and Kevin Johnson; December 4, 2018; <https://www.minneapolisfed.org/article/2018/race-location-and-manufactured-home-loans-on-american-indian-reservations>

3. **Optional**: If applicable, why was the Enterprise unable to achieve the Plan target?
Not applicable.