

Exhibit E:
Annual Loan Purchase Narrative Reporting Template

FREDDIE MAC
MANUFACTURED HOUSING
2022
PURCHASE

ACTIVITY:

3 - Manufactured Housing Communities Owned by a Government Entity, Non-Profit Organization, or Residents: Regulatory Activity

OBJECTIVE:

A – Purchase Resident-Owned, Non-Profit-Owned, and Government Instrumentality-Owned Loans

INFEASIBILITY:

Check here if the Enterprise is submitting an infeasibility request for the objective.

If applicable, provide a concise summary of the underserved market conditions or other extenuating circumstances outside of the Enterprise's control that substantially interfered with accomplishment of the objective.

Freddie Mac has found a limited market for Manufactured Housing Community Resident Owned Community (MHROC) debt transactions where leverage requirements are safe and sound. The limited universe of eligible transactions was further restricted in 2022 as overall multifamily debt originations slowed due to a rising interest rate environment. Ultimately, we found this objective to be infeasible due to the combination of the specific market conditions of 2022, significant transactional delays that were outside of our, the lender's, and the borrower's control, and the inherently limited universe of MHROCs.

Despite these circumstances, Freddie Mac worked to deliver on the objective. We funded and closed one MHROC transaction in 2022. A second transaction closed in December 2022 and funded in January 2023. One additional transaction remains in our pipeline and was delayed due to circumstances outside our control.

SUMMARY OF RESULTS:

Provide a concise summary of the actions undertaken under this objective.

Include in the summary a list of any actions or deliverables specified in the objective that were not completed, or actions or deliverables that deviated from the Plan.

Finding and funding MHROC loans is difficult. Freddie Mac and our lender network have taken steps to locate eligible transactions, including through word-of-mouth marketing of our offering at conferences and through ongoing discussions with leading MHROC experts. Freddie Mac is also continuing to promote its MHROC offering through our lenders. These efforts have resulted in our seeing more transaction opportunities in 2022 than in any prior year.

Our considerable expenditure of time and resources yielded success in funding a loan for Royal View Gardens in El Cajon, California. One additional transaction closed in December 2022 and funded in January 2023. An additional transaction remains in our pipeline, and we remain active in our efforts to move it forward.

<i>Objective's components detailed in the Plan</i>	<i>Corresponding actions or deliverables</i>	<i>Any deviations from the Plan (if applicable)</i>
Complete 3 Transactions	Completed 1 Transaction	Closed an additional transaction in December 2022, which funded in 2023. A third transaction remains in pipeline.

SELF-ASSESSMENT RATING OF PROGRESS:

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

- Target met
- Target exceeded
- Objective partially completed
- No milestones achieved

IMPACT:

Provide a self-assessment of the level of impact that actions under the objective have accomplished.

- 50 – Very Large 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?

Freddie Mac created its MHROC offering to serve as an outlet for current MHROC financing providers and to standardize lending for MHROCs by MHC financing providers, including Freddie Mac’s lender network. Our stable capital source for senior debt provides consistent liquidity for a market that has been limited by a dependency on select originators and investors.

In 2022, our offering allowed one MHROC to refinance its existing high-interest rate debt into a longer-term loan that supported affordability, materially reduced operating expenses and allowed for funding of critical capital expenditures.

Royal View Gardens, a 75-pad, age restricted MHROC in El Cajon, CA, is in a supply constrained market where cost of living is high. The property’s average monthly pad rent is \$555, which is substantially below the market rent of \$1,013. Refinancing Royal View Gardens took more than 6 months. The transaction encountered several unexpected delays during the underwriting process that were property related and outside of our control, further complicating and extending the time period. The completion of this transaction demonstrates our commitment to standardizing financing for MHROCs, which can encourage liquidity for, and ultimately help grow, this market.

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

Freddie Mac learned that the prevailing financing model for MHROCs is not conducive to either significant growth or attracting private-capital investment at a scale necessary for appropriate risk distribution. MHROCs generally require subordinate debt with foreclosure rights in addition to the senior loan, bringing the combined loan-to-value ratio over 100%. This falls well outside typical credit parameters for the GSEs.

Freddie Mac’s offering includes refinancing, where the property is currently owned by residents, or conversions, where residents seek to acquire the property. In the case of refinances, properties must show a history of stable operation, and professional management of the community and borrowing entity. For conversions, a community must be put up for sale, the residents must want to own their community, a sophisticated tenant group must be

appropriately organized to purchase, sufficient equity or equity-equivalent financing must be available, specialized debt financing products must be available, adequate technical assistance must be provided, and the seller must choose to sell the community to the residents.

Financing for MHROCs is generally provided by Community Development Financial Institutions (CDFIs) or banks using specialized products that often require considerable leverage with combined loan amounts in excess of the appraised value of the property. These loans have limited secondary market outlets, which is one of many factors contributing to the relatively small size of this market.

As we continue in this market, we expect to encounter challenges as we seek out additional opportunities.

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

Due to the limited MHROC market and unexpected delays, Freddie Mac closed two transactions and funded one transaction. A third transaction remains in our pipeline and is delayed pending municipal-level approvals. The review processes of municipalities can be lengthy and are out of Freddie Mac's control.

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

Exhibit A:

Quarterly Loan Purchase Narrative Reporting Template

FREDDIE MAC

MANUFACTURED HOUSING

Q2: JANUARY-JUNE 2022

PURCHASE

ACTIVITY:

3- Manufactured Housing Communities Owned by a Government Instrumentality, Non-Profit Organization, or Residents: Regulatory Activity

OBJECTIVE:

A- Purchase Resident-Owned, Non-Profit-Owned, and Government Instrumentality-Owned Loans

SUMMARY OF PROGRESS:

Freddie Mac production teams have been working consistently to finance resident-owned community loans. Due to our outreach efforts, we have seen an uptick in the amount of quote requests this year, and we have quoted more ROC transactions this year than any year in the history of our Manufactured Housing Community program. However, we have still experienced difficulty closing ROC loans due to various delays outside of Freddie Mac's control. The one MHROC loan we have closed was under application for over six months and funded in July.

SELF-ASSESSMENT RATING OF PROGRESS:

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

- On track to meet or exceed the target
- Progress delayed and/or partial completion of the objective expected
- Unlikely to achieve any milestones of the objective

ADDITIONAL INFORMATION (IF APPLICABLE):

Our Resident-Owned Communities target is at risk due to two of three transactions in our firm pipeline being delayed several months pending city approval to pay off existing municipal bonds.

The two transactions that have been experiencing delays are located in California, with one transaction outside of San Francisco and the other outside of San Diego. Both transactions are delayed due to issues with due diligence. Approval is needed from each respective city before we can provide financing for each property, and the review processes by cities can be lengthy and largely out of Freddie Mac's control.

Freddie Mac's production and underwriting teams are in regular communication with the lenders working with the owners of these communities to help address these challenges where possible.

Exhibit A:

Quarterly Loan Purchase Narrative Reporting Template

FREDDIE MAC

MANUFACTURED HOUSING

Q3: JULY-SEPTEMBER 2022

PURCHASE

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ADDITIONAL INFORMATION (IF APPLICABLE):

Our Resident-Owned Communities target is at risk due to two of three transactions in our firm pipeline being delayed several months pending city approval to pay off existing municipal bonds.

The two transactions that have been experiencing delays are located in California, with one transaction outside of San Francisco and the other outside of Sacramento. Both transactions have experienced delays in required approvals needed from each respective city. Approval is needed from each respective city before we can provide financing for each property, and the review processes by cities can be lengthy and largely out of Freddie Mac's control.

Freddie Mac's production and underwriting teams are in regular communication with the lenders working with the owners of these communities to help address these challenges where possible. In addition, we have worked with our lenders to help us identify non-profit manufactured housing communities in need of financing. We have heard from non-profits that the rising treasury rates were making transactions especially challenging, and they were not experiencing time pressure to pursue financing in the current environment.