



Arbor Commercial Mortgage Funds First Loan Under New Freddie Mac Small Balance Loan Offering

January 22, 2015

MCLEAN, VA--(Marketwired - Jan 21, 2015) - Freddie Mac (OTCQB: FMCC) and Arbor Commercial Mortgage, LLC ("Arbor"), a national, direct commercial real estate lender, announced today that Arbor has funded its first loan under the newly launched Freddie Mac Small Balance Loan initiative. The property is Nettleton Commons in Syracuse, N.Y.

The 61-unit, five-story property is owned and managed by Steven and Silvia West. Stephen York, Vice President in Arbor's New York City office, originated the five-year, fixed-rate, \$4 million loan, which carries with it one year of interest-only payments, along with 30 years of amortization. Eastern Union was the mortgage brokerage firm in the deal.

"The borrower was specifically seeking short-term, very low-interest financing to refinance this property and had worked with banks on previous deals. However, through our strong relationship with Eastern Union, we were able to introduce Mr. and Mrs. West to the new Freddie Mac Small Balance Loan offering. Through this program, they received very competitive terms that weren't available through other competing lenders," York explained.

"Through this deal, we believe we received the best financing available in the market at the terms we desired, including the non-recourse provision, which is difficult to obtain with such a low rate," borrower Steven West added. "This was our first agency loan and I believe we will focus on pursuing agency financing again in the future with Arbor."

An historic property originally built in 1899 as a shoe factory, Nettleton Commons was rehabilitated into a multifamily building in 1988. It also contains nine commercial office spaces and one retail space. Steven and Silvia West have owned the property since acquiring it in 2007.

"As one of only a select few Freddie Mac Small Balance Loan lenders in the country, Arbor was pleased to be one of the very first to fund a loan under this highly competitive new offering that serves the multifamily small loan market," said Ivan Kaufman, Chairman and CEO of Arbor. "Arbor has more than two decades of history funding small multifamily loans and understands the expertise required to execute this product."

Nashwa Moussa, senior director of Freddie Mac Multifamily, said, "We are excited that our Small Balance Loan initiative is quickly gaining momentum in the marketplace and providing a strong financing option. We look forward to working with Arbor, which we partnered with as one of our first Small Balance Loan lenders specifically because of its deep-rooted small loan track record and experience that we knew would greatly enhance the program."

About Freddie Mac

Freddie Mac was established by Congress in 1970 to provide liquidity, stability and affordability to the nation's residential mortgage markets. Freddie Mac supports communities across the nation by providing mortgage capital to lenders. Today Freddie Mac is making home possible for one in four home borrowers and is one of the largest sources of financing for multifamily housing. Additional information is available at FreddieMac.com, Twitter [@FreddieMac](https://twitter.com/FreddieMac) and Freddie Mac's blog FreddieMac.com/blog.

About Arbor

Founded by Chairman and CEO Ivan Kaufman, Arbor Commercial Mortgage, LLC and Arbor Commercial Funding, LLC are national direct lenders specializing in loan origination and servicing for multifamily, seniors housing, healthcare and other diverse commercial real estate assets. Arbor is a 2013 Top 10 Fannie Mae DUS® Multifamily Lender by volume, a Freddie Mac Program Plus® Seller/Servicer and Small Balance Loan lender, an FHA Multifamily Accelerated Processing (MAP)/LEAN Lender, a HUD-approved LIHTC Lender as well as a CMBS, Bridge and Mezzanine lender, consistently building on its reputation for service, quality and flexibility. With a current servicing portfolio of more than \$10 billion, Arbor is a primary commercial loan servicer and special servicer rated by Standard & Poor's and holds an Above Average rating from Standard & Poor's. Arbor is also on the Standard & Poor's Select Servicer List and is a primary commercial loan servicer and loan level special servicer rated by Fitch Ratings.

Arbor Commercial Mortgage, LLC also manages Arbor Realty Trust, Inc., a real estate investment trust, (REIT), formed to invest in mortgage-related securities, real estate-related bridge, junior participating interests in first mortgages, mezzanine loans, preferred and direct equity investments and in limited cases, discounted mortgage notes and other real estate related assets. Arbor is headquartered in Uniondale, NY, with full-service lending offices throughout the United States. For more information about Arbor, visit www.arbor.com.

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