



Freddie Mac Prices \$710 Million Multifamily K-Deal, K-HG1, Backed by Properties Controlled by Harbor Group International, LLC

February 9, 2018

MCLEAN, VA -- (Marketwired) -- 02/09/18 -- [Freddie Mac](#) (OTCQB: FMCC) recently priced a new offering of Structured Pass-Through Certificates ([K Certificates](#)), backed by a fixed-rate multifamily mortgage loan. The approximately \$710 million in K Certificates (K-HG1 Certificates) are backed by eleven properties indirectly controlled by Harbor Group International, LLC, or its affiliates. K-HG1 is expected to settle on or about February 16, 2018.

The transaction collateral is part of Freddie Mac's single-asset, single borrower (SASB) execution. The SASB execution transfers first loss credit risk on either one or multiple properties owned or controlled by a single sponsorship group.

K-HG1 Pricing

Class	Principal/ Notional Amount (mm)	Weighted Average Life (Years)	Spread (bps)	Coupon	Yield	Dollar Price
A-1	\$11.473	5.38	S + 26	3.3410%	2.9149%	\$101.9818
A-2	\$201.712	6.86	S + 32	3.3410%	3.0462%	\$101.7196
A-3	\$277.029	9.70	S + 50	3.3410%	3.3278%	\$100.0760
A-4	\$220.406	9.86	S + 47	3.3410%	3.3027%	\$100.2893
X	\$710.620	8.87	Non-Offered			

Details

- Co-Lead Managers and Bookrunners: Goldman, Sachs & Co. LLC, and Wells Fargo Securities, LLC
- Co-Managers: Jefferies LLC, Nomura Securities International, Inc., PNC Capital Markets LLC and The Williams Capital Group, L.P.

Related Links

- The K-HG1 preliminary offering circular supplement: <http://www.freddiemac.com/mbs/data/khg01oc.pdf>
- Freddie Mac Multifamily [Investor Presentation](#)
- [Multifamily Securities Investor Access](#) database of post-securitization data from Investor Reporting Packages

The K-HG1 Certificates will not be rated, and will include four senior principal and interest classes and one interest only class. The K-HG1 Certificates are backed by corresponding classes issued by the FREMF 2018-KHG1 Mortgage Trust (KHG1 Trust) and guaranteed by Freddie Mac. The KHG1 Trust will also issue certificates consisting of the Class B, C and R Certificates, which will be subordinate to the classes backing the K-HG1 Certificates. The KHG1 Trust Class B, C and R Certificates will not be guaranteed by Freddie Mac.

[Freddie Mac Multifamily](#) is a leading issuer of agency-guaranteed structured multifamily securities. K-Deals are part of the company's business strategy to transfer a portion of the risk of losses away from taxpayers and to private investors who purchase the unguaranteed subordinate bonds. K Certificates typically feature a wide range of investor options with stable cash flows and structured credit enhancement.

This announcement is not an offer to sell any securities of Freddie Mac or any other issuer. Offers for any given security are made only through applicable offering circulars and related supplements, which incorporate Freddie Mac's Annual Report on Form 10-K for the year ended December 31, 2016, filed with the Securities and Exchange Commission (SEC) on February 16, 2017; all other reports Freddie Mac filed with the SEC pursuant to Section 13(a) of the Securities Exchange Act of 1934 (Exchange Act) since December 31, 2016, excluding any information "furnished" to the SEC on Form 8-K; and all documents that Freddie Mac files with the SEC pursuant to Sections 13(a), 13(c) or 14 of the Exchange Act, excluding any information furnished to the SEC on Form 8-K.

Freddie Mac's press releases sometimes contain forward-looking statements. A description of factors that could cause actual results to differ materially from the expectations expressed in these and other forward-looking statements can be found in the company's Annual Report on Form 10-K for the year ended December 31, 2016, and its reports on Form 10-Q and Form 8-K, filed with the SEC and available on the Investor Relations page of the company's Web site at www.FreddieMac.com/investors and the SEC's Web site at www.sec.gov.

Freddie Mac makes home possible for millions of families and individuals by providing mortgage capital to lenders. Since our creation by Congress in 1970, we've made housing more accessible and affordable for homebuyers and renters in communities nationwide. We are building a better housing finance system for homebuyers, renters, lenders and taxpayers. Learn more at FreddieMac.com, Twitter [@FreddieMac](#) and Freddie Mac's blog

FreddieMac.com/blog.

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