



Freddie Mac Announces SPCs Backed by Loans that Involve Robert Morgan

June 1, 2018

McLean, VA – Freddie Mac today announced the series of Structured Pass-Through Certificates (SPCs) backed by loans that involve Robert Morgan and/or his management company, Morgan Management, LLC (each a “Morgan Party”). On May 22, the United States Attorney’s Office for the Western District of New York in Buffalo announced that a grand jury returned an indictment alleging that Frank Giacobbe and Patrick Ogiony (principals of mortgage broker Aurora Capital Advisors, LLC), and Kevin Morgan and Todd Morgan (employees of Morgan Management, LLC) conspired to provide lenders, servicers and other investors with false financial information in connection with the origination and servicing of loans in which a Morgan Party has or had an ownership interest in the related borrower.

The [indictment](#) and [press release](#) issued by the U.S. Attorney can be found here.

Each SPC series listed in the table below contains one or more loans secured by properties in which a Morgan Party has an ownership interest in the related borrower (each a “Morgan Loan”). The table below also sets forth, as of May 25, 2018, the percentage of Morgan Loans in each SPC series.

All payments due in May 2018 on the Morgan Loans were reported as having been made. Although each SPC has the benefit of the Freddie Mac guarantee, Freddie Mac cannot ensure that the matters referenced in the indictment or any future actions against a Morgan Party will not result in an early prepayment of SPCs. For prepayment risks associated with an investment in SPCs, investors should review “Risk Factors” in the Giant and Other Pass-Through Certificates (Multifamily) Offering Circular dated February 23, 2017.

Structured Pass-Through Certificate (SPC) Series	Morgan Loan % Concentration by SPC Series
K-C01	37.9%
K-J08	7.1%
K-725	7.0%
K-J07	7.0%
K-051	6.3%
K-049	5.4%
K-048	5.4%
K-057	4.6%
K-W01	4.2%
K-020	4.0%
K-037	3.9%
K-F15	3.4%

K-056	3.0%
K-F16	2.4%
K-039	2.1%
K-027	2.1%
K-062	2.1%
K-055	2.0%
K-038	2.0%
K-044	2.0%
K-030	1.9%
K-053	1.9%
K-029	1.9%
K-036	1.9%
K-045	1.8%
K-J13	1.7%
K-J10	1.7%
K-019	1.6%
K-043	1.4%
K-059	1.4%
K-042	1.3%
K-F14	1.3%
K-722	1.3%
K-031	1.0%
K-054	0.9%
K-720	0.9%
K-052	0.4%
K-010	0.4%
K-047	0.4%

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