



Freddie Mac Prices \$1 Billion Multifamily Aggregation Risk Transfer Certificates, Series 2018-KT03

July 26, 2018

MCLEAN, Va., July 26, 2018 (GLOBE NEWSWIRE) -- [Freddie Mac](#) (OTCQB:FMCC) today announced its offering of the Multifamily Aggregation Risk Transfer Certificates, Series 2018-KT03 (KT03 Certificates), which will be backed by multifamily mortgage loans that are awaiting sale into [K-Series](#) securitizations. This offering of \$1 billion in KT03 Certificates is expected to settle on or about July 30, 2018 and is the first offering of Multifamily Aggregation Risk Transfer Certificates (KT Certificates) this year.

KT Certificates are designed to transfer a portion of the credit risk associated with eligible multifamily mortgage loans to certain investors prior to sale into K-Series securitizations. KT03 is designed to transfer the risk on multifamily mortgages that are in their lease up period (Lease Up Loans), which occurs before the collateral is fully stabilized. The initial pool contains 20 Lease Up Loans, eight of which are seasoned more than 24 months. After the closing date, Freddie Mac may also include loans backed by student and seniors housing in the pool.

On the settlement date, Freddie Mac will sell to the FMPRE 2018-KT03 Multifamily Aggregation Risk Transfer Trust (KT03 Trust) approximately \$1 billion in eligible mortgage loans. During a 42-month revolving period Freddie Mac will purchase mortgage loans eligible for repurchase from the KT03 Trust for inclusion in K-Series securitizations and replace them with additional eligible mortgage loans.

The KT Trust will issue Class A, B, C, D and E Certificates. Freddie Mac will guarantee timely payment of interest, reimbursement of realized losses and ultimate repayment of principal on the Class A Certificates but will not guarantee the Class B, C, D or E Certificates. Freddie Mac will purchase the Class A and E Certificates.

KT03 Certificates Pricing

Class	Principal/Notional Amount (mm)	Assumed Weighted Average Life (Years)
A	\$900.000	3.99
B	\$25.000	3.99
C	\$37.500	3.99
D	\$37.500	3.99

Details

- Lead Manager and Bookrunners: Wells Fargo Securities, LLC and Barclays Capital Inc.
- Co-Manager for Class A Certificates: Samuel A. Ramirez & Company, Inc.

Related Links

- KT03 Offering Circular Supplement
<http://www.freddiemac.com/mbs/data/kt03oc.pdf>
- Freddie Mac Multifamily [Investor Presentation](#) [pdf]
- [Multifamily Securities Investor Access](#) database of post-securitization data from Investor Reporting Packages

This announcement is not an offer to sell any Freddie Mac securities. 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, 2017, filed with the Securities and Exchange Commission (SEC) on February 15, 2018; 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, 2017, 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. Forward-looking statements involve known and unknown risks and uncertainties, some of which are beyond the company's control. Management's expectations for the company's future necessarily involve a number of assumptions, judgments and estimates, and various factors could cause actual results to differ materially from the expectations expressed in these and other forward-looking statements. These assumptions, judgments, estimates and factors are discussed in the company's Annual Report on Form 10-K for the year ended December 31, 2017, and its reports on Form 10-Q and Form 8-K, which are available on the Investor Relations page of the company's Web site at www.FreddieMac.com/investors and the SEC's website at www.sec.gov. The company undertakes no obligation to update forward-looking statements it makes to reflect events or circumstances occurring after the date of this press release.

The financial and other information contained in the documents that may be accessed on this page speaks only as of the date of those documents. The information could be out of date and no longer accurate. Freddie Mac undertakes no obligation, and disclaims any duty, to update any of the information in those documents.

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](https://twitter.com/FreddieMac) and Freddie Mac's blog FreddieMac.com/blog.

MEDIA CONTACT: Paul Frommelt

703-903-3999

Paul_Frommelt@freddiemac.com

INVESTOR CONTACTS: Robert Koontz

571-382-4082