



## Freddie Mac Sells \$569 Million in NPLs

October 2, 2018

### Auctions more than 3,200 NPLs via Three SPO Pools

MCLEAN, Va., Oct. 02, 2018 (GLOBE NEWSWIRE) -- Freddie Mac (OTCQB: FMCC) today announced it sold via auction 3,247 delinquent non-performing loans (NPLs) from its mortgage investments portfolio. The loans, totaling \$569 million, are currently serviced by Specialized Loan Servicing LLC. The transaction is expected to settle in December 2018. The sale is part of Freddie Mac's Standard Pool Offerings (SPO®). Bids for the upcoming Extended Timeline Pool Offering (EXPO), which is a smaller sized pool of loans, are due from qualified bidders by October 16, 2018. Freddie Mac, through its advisors, began marketing the transaction on September 5, 2018, to potential bidders, including minority and women-owned businesses (MWOBs), non-profits, neighborhood advocacy funds and private investors active in the NPL market.

For the SPO® offerings, the loans were offered as three separate pools of mortgage loans. The three pools consist of mortgage loans secured by geographically diverse properties. Investors had the flexibility to bid on each pool individually and/or any combination of pools.

The loans have been delinquent for over two years, on average. Given the delinquency status of the loans, the borrowers have likely been evaluated previously for or are already in various stages of loss mitigation, including modification or other alternatives to foreclosure, or are in foreclosure. Mortgages that were previously modified and subsequently became delinquent comprise approximately 55 percent of the aggregate pool balance. The aggregate pool has a loan-to-value ratio of approximately 78 percent, based on Broker Price Opinions (BPO).

The pools and winning bidders are summarized below:

| Description                                   | Pool #1                              | Pool #2                      | Pool #3                   |
|---|--------------------------------------|------------------------------|---------------------------|
| Unpaid Principal Balance                      | \$103.9 million                      | \$295.1 million              | \$169.7 million           |
| Loan Count                                    | 588                                  | 1826                         | 833                       |
| CLTV Range                                    | Less than or equal to 90             | Less than or equal to 90     | Greater than 90           |
| BPO-weighted CLTV                             | 67                                   | 67                           | 113                       |
| Average Months Delinquent                     | 20                                   | 30                           | 28                        |
| Average Loan Balance (\$000)                  | 176.7                                | 161.6                        | 203.7                     |
| Geographical Distribution                     | National                             | National                     | National                  |
| Winning Bidder                                | InSolve Global Credit Fund III, L.P. | LSF10 Mortgage Holdings, LLC | 1900 Capital Fund II, LLC |
| Cover Bid Price<br>(second-highest bid price) | Mid 90s area                         | Low 90s area                 | 60 area                   |

Advisors to Freddie Mac on the transaction are Wells Fargo Securities LLC and The Williams Capital Group L.P., a minority owned business.

Freddie Mac's Seasoned Loan Offerings are focused on reducing less liquid assets in an economically sensible way from the company's mortgage investments portfolio. This includes sales of NPLs, securitizations of re-performing loans (RPL) and structured RPL transactions.

To date, Freddie Mac has sold \$7 billion of NPLs and transacted \$43 billion of RPLs consisting of (i) \$27 billion via fully guaranteed PCs, (ii) \$14 billion via Seasoned Credit Risk Transfer (SCRT) senior/sub securitizations, and (iii) \$2 billion via Seasoned Loans Structured Transaction (SLST) offerings. [Requirements](#) guiding the servicing of these transactions are focused on improving borrower outcomes and stabilizing communities. Additional information about Freddie Mac's seasoned loan offerings is available at <http://www.freddiemac.com/seasonedloanofferings/index.html>.

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](http://FreddieMac.com), Twitter [@FreddieMac](#) and Freddie Mac's blog [FreddieMac.com/blog](#).

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