



## Freddie Mac Prices \$646 Million Multifamily K-Deal, K-L03

October 15, 2018

MCLEAN, Va., Oct. 15, 2018 (GLOBE NEWSWIRE) -- [Freddie Mac](#) (OTCQB: FMCC) recently priced a new offering of Structured Pass-Through Certificates ([K Certificates](#)), which are multifamily mortgage-backed securities.

Approximately \$646 million in K Certificates (K-L03 Certificates) are backed by two groups of loans. One group consists of one fixed rate mortgage backed by one property and the other group consists of one mortgage with floating and fixed rate components backed by eight properties.

The transaction collateral is part of Freddie Mac's K-L series of certificates, which are backed by large loans or pools of related mortgage loans on multifamily properties. The K-L03 Certificates are expected to settle on or about Oct. 22, 2018.

### K-L03 Pricing

Class	Principal/Notional Amount (mm)	Weighted Average Life (Years)	Spread or Discount Margin (bps)	Coupon	Yield	Dollar Price
A-LNZ	\$223.016	6.51	S + 40	3.4556%	3.5577%	\$98.88
AFL-W	\$235.000	6.69	L+ 45	1 mo LIBOR +45	2.7259%	\$100.00
AFX1-W	\$25.000	5.59	S + 32	3.7049%	3.4679%	\$100.69
AFX2-W	\$163.000	6.84	S + 42	3.7049%	3.5812%	\$100.20
XI-W	\$235.000	6.69		Non-Offered		
XP-W	\$470.000	N/A		Non-Offered		

### Details

- Co-Lead Managers and Joint Bookrunners: Merrill Lynch, Pierce, Fenner & Smith Incorporated and Jefferies LLC
- Co-Managers: Goldman, Sachs and Co., Nomura Securities International, Inc., Stern Brothers & Co. and Wells Fargo Securities, LLC

### Related Links

- The K-L03 Preliminary Offering Circular Supplement: <http://www.freddie.mac.com/mbs/data/kl03oc.pdf>
- Freddie Mac Multifamily [Investor Presentation](#)
- [Multifamily Securities Investor Access](#) database of post-securitization data from Investor Reporting Packages

The K-L03 Certificates will not be rated, and will include four senior principal and interest classes and two interest-only classes. The K-L03 Certificates are backed by corresponding classes issued by FREMF 2018-KL03 Mortgage Trust (K-L03 Trust) and guaranteed by Freddie Mac. The K-L03 Trust will also issue certificates consisting of Class B-LNZ, Class B-W, Class C-W and Class R certificates, which will not be guaranteed by Freddie Mac and will not back any class of K-L03 Certificates.

[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, 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. 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, 2017, 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](http://www.FreddieMac.com/investors) and the SEC's Web site at [www.sec.gov](http://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](https://www.FreddieMac.com), Twitter [@FreddieMac](https://twitter.com/FreddieMac) and Freddie Mac's blog [FreddieMac.com/blog](https://www.FreddieMac.com/blog).

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