



STACR Debt Notes Receive Top NAIC Designations for Third Straight Year

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Ten M2 and M3 Bonds Receive Higher 2018 Designations

MCLEAN, Va., Jan. 09, 2019 (GLOBE NEWSWIRE) -- [Freddie Mac](#) (OTCQB: FMCC) today announced that its Structured Agency Credit Risk (STACR®) debt notes have received top designations by the [National Association of Insurance Commissioners \(NAIC\)](#) for the 2018 filing year.

"We're pleased to again have received [top designations](#) from the NAIC for our STACR debt notes," said Mike Reynolds, vice president of credit risk transfer (CRT). "We expanded our designations in 2018 to include MACR notes, creating more investment opportunities for the insurance industry while improving the liquidity and execution of the STACR program. We look forward to bringing STACR REMIC to the market in the coming months."

Overall, Freddie Mac notes received ten upgrades relative to 2017 year-end designations, including three upgrades from NAIC 3 to NAIC 1.

2018 Filing Year NAIC Designations Upgrades:

CUSIP	Deal Name	2017 Designation	2018 Designation
3137G0LJ6	STACR 2016-DNA4 M3	NAIC 2	NAIC 1
3137G0KE8	STACR 2016-HQA2 M3	NAIC 2	NAIC 1
3137G0MD8	STACR 2017-DNA1 M2	NAIC 2	NAIC 1
3137G0LA5	STACR 2016-HQA3 M3	NAIC 3	NAIC 1
3137G0LU1	STACR 2016-HQA4 M3	NAIC 3	NAIC 1
3137G0NX3	STACR 2017-DNA2 M2	NAIC 3	NAIC 1
3137G0QQ5	STACR 2017-DNA3 M2	NAIC 3	NAIC 2
3137G0NE5	STACR 2017-HQA1 M2	NAIC 3	NAIC 2
3137G0PU7	STACR 2017-HQA2 M2	NAIC 3	NAIC 2
3137G0RL5	STACR 2017-HQA3 M2	NAIC 3	NAIC 2

Approximately 98 percent of Freddie Mac STACR bonds that have an NAIC Designation have a designation of 1 or 2, helping to make these securities more attractive to the insurance industry while improving the execution and liquidity of the company's flagship CRT program. At this time, NAIC has not provided NAIC Designations for Freddie Mac's Trust CRT transactions at year-end 2018.

NAIC Designations are the specific alphanumeric symbols in use by the NAIC SVO to denote a category of credit quality. The NAIC's Structured Securities Group (SSG) is responsible for the day-to-day credit quality assessment and valuation of securities owned by state regulated insurance companies. The SVO conducts credit analysis on these securities for the purpose of assigning an NAIC designation and/or unit price. The NAIC designation categories are described on the NAIC's SSG [webpage](#).

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MEDIA CONTACT: Fred Solomon
703-903-3861
Frederick_Solomon@FreddieMac.com

INVESTOR CONTACT: Mike Reynolds
571-382-4852