



Freddie Mac Prices \$783 million Multifamily K-Deal, K-1511

May 10, 2019

MCLEAN, Va., May 10, 2019 (GLOBE NEWSWIRE) -- [Freddie Mac](#) (OTCQB: FMCC) recently priced a new offering of Structured Pass-Through Certificates ([K Certificates](#)), which are multifamily mortgage-backed securities. The company expects to issue approximately \$783 million in K Certificates (K-1511 Certificates), which are expected to settle on or about May 16, 2019.

In a first for the K-Deal line of securities, Freddie Mac requested and received preliminary designations and breakpoints from the National Association of Insurance Commissioners (NAIC) Structured Securities Group (SSG). The Regulatory Treatment Analysis Service (RTAS) provided a preliminary indication of the probable insurance regulatory treatment of K-1511 guaranteed classes and provided preliminary NAIC breakpoints for the K-1511 mezzanine securities. A link to the regulatory assessment set forth in a letter from SSG to Freddie Mac can be found below.

"For the first time ever, we requested a new issue NAIC assessment of a K-Deal securitization," said Robert Koontz, Freddie Mac's senior vice president, multifamily capital markets. "The NAIC's analysis helps facilitate the purchase of securities by regulated insurance companies. We plan to partner with NAIC SSG to obtain new issue designations and breakpoints when possible."

K-1511 Pricing

Class	Principal/Notional Amount (mm)	Weighted Average Life (Years)	Spread (bps)	Coupon	Yield	Dollar Price
A-1	\$94.000	7.89	S+58	3.2790%	2.9783%	\$101.9966
A-2	\$271.000	11.75	S+65	3.4700%	3.1618%	\$102.9977
A-3	\$418.917	14.65	S+72	3.5420%	3.2870%	\$102.9893
X1	\$783.917	12.84	T+150	0.9302%	4.0054%	\$8.1678
X3	\$87.102	14.89	T+275	3.5369%	5.2983%	\$35.4288

Details

- Co-Lead Managers and Joint Bookrunners: Morgan Stanley & Co. LLC and Citigroup Global Markets Inc.
- Co-Managers: CastleOak Securities, L.P., Credit Suisse Securities (USA) LLC, Deutsche Bank Securities Inc. and Merrill Lynch, Pierce, Fenner & Smith Incorporated

Related Links

- The K-1511 Preliminary Offering Circular Supplement: <http://www.freddiemac.com/mbs/data/k1511oc.pdf>
- NAIC [Preliminary Assessment](#)
- Freddie Mac Multifamily [Securitization Overview](#)
- [Multifamily Securities Investor Access](#) database of post-securitization data from Investor Reporting Packages
- More information about [Class A-M and Class XAM](#)

The K-1511 Certificates are backed by corresponding classes issued by the FREMF 2019-K1511 Mortgage Trust (K-1511 Trust) and guaranteed by Freddie Mac. The K-1511 Trust will also issue certificates consisting of the Class B, Class C and Class R Certificates, which will not be guaranteed by Freddie Mac and will not back any class of K-1511 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 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, 2018, filed with the Securities and Exchange Commission (SEC) on February 14, 2019; 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, 2018, 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, 2018, 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 multifamily investors section

of the company's Web site at <https://mf.freddie.mac.com/investors/> will also be updated, from time to time, with any information on material developments or other events that may be important to investors, and we encourage investors to access this website on a regular basis for such updated information.

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://FreddieMac) and Freddie Mac's blog FreddieMac.com/blog.

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