# Freddie Mac Statement in Support of Transition to Secured Overnight Financing Rate for Single-Family Adjustable Rate Mortgages

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**McLEAN, Va. –** The following statement was released today by Freddie Mac (OTCQB: FMCC) and is attributed to Timothy Kitt, Senior Vice President, Head of Pricing and Execution at Freddie Mac.

Freddie Mac supports the Alternative Reference Rate Committee's (ARRC) recommendation to replace the LIBOR index with a new index based on the Secured Overnight Financing Rate (SOFR). The transition will impact new purchases of hybrid ARMs once a SOFR-based product is implemented.

Freddie Mac will work closely with the ARRC, the Federal Housing Finance Agency, and other industry participants on a thoughtful and deliberate process to implement this recommendation within the home mortgage lending industry. We will also work with our clients, investors, and servicers to ensure a seamless transition for lenders and borrowers to SOFR-based ARMs by the end of 2021.

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 and Freddie Mac's blog.