



Freddie Mac Sells \$464 Million in NPLs

October 5, 2020

Awards 4 SPO Pools to 2 Winners

McLEAN, Va., Oct. 05, 2020 (GLOBE NEWSWIRE) -- Freddie Mac (OTCQB: FMCC) today announced it sold via auction 2,806 non-performing residential first lien loans (NPLs) from its mortgage-related investments portfolio. The loans, with a balance of approximately \$464 million, are currently serviced by Specialized Loan Servicing LLC. The transaction is expected to settle in December 2020. The sale is part of Freddie Mac's Standard Pool Offerings (SPO®). Freddie Mac, through its advisors, began marketing the transaction on September 8, 2020 to potential bidders, including non-profits and Minority, Women, Disabled, LGBT, Veteran or Service-Disabled Veteran-Owned Businesses (MWDOBs), neighborhood advocacy organizations and private investors active in the NPL market. Bids for the upcoming Extended Timeline Pool Offering (EXPO), which is a smaller sized pool of loans, are due from qualified bidders by October 15, 2020.

For the SPO® offerings, the loans were offered as four separate pools of mortgage loans. The four 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.

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 62.5 percent of the aggregate pool balance. Additionally, purchasers are required to honor the terms of existing loss mitigation agreements and solicit distressed borrowers for additional assistance except in limited cases and ensure all pending loss mitigation actions are completed.

The SPO® pools and winning bidders are summarized below:

Description	Pool #1	Pool #2	Pool #3	Pool #4
Unpaid Principal Balance	\$101.0 million	\$143.1 million	\$149.6 million	\$70.1 million
Loan Count	601	1,065	809	331
CLTV Range (in %)	All	Less than or equal to 60	Between 60 and 90	Greater than 90
BPO-weighted* CLTV (in %)	61	44	72	112
Average Months Delinquent	15	25	20	18
Average Loan Balance (in \$000s)	168.0	134.4	184.9	211.8
Geographical Distribution	National	National	National	National
Winning Bidder	VRMTG ACQ, LLC	VRMTG ACQ, LLC	VRMTG ACQ, LLC	Bayview Acquisitions, LLC
Cover Bid Price (% of UPB) (second-highest bid price)	Low 90s area	Low-Mid 100s area	High 80s area	Mid 50s area

*Broker Price Opinions (BPOs)

Advisors to Freddie Mac on the transaction are Wells Fargo Securities, LLC and First Financial Network, Inc., a woman-owned business.

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

To date, Freddie Mac has sold \$8.4 billion of NPLs and securitized more than \$66.5 billion of RPLs consisting of \$29.0 billion via fully guaranteed PCs, \$28.3 billion via Seasoned Credit Risk Transfer (SCRT) senior/sub securitizations, and \$9.3 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.freddie-mac.com/seasonedloanofferings/>

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

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