



Freddie Mac Multifamily Closes First Social Impact M-Deal Supporting Housing for Homeless Veterans and Those in Need

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MCLEAN, Va., Dec. 08, 2020 (GLOBE NEWSWIRE) -- [Freddie Mac](#) (OTCQB: FMCC) recently closed its first [Social Impact M-Deal](#) backed by 27 mission-focused properties for low-income residents, many of whom are disabled, seniors with disabilities or homeless veterans. The transaction provided \$359 million in liquidity to Arc70 to fund bonds backed by properties that address affordable housing challenges or properties serving underserved groups considered to be among the most vulnerable. This is the first M Certificate offering under the company's [Social Bonds Framework](#), which is part of the larger Impact Bonds series.

"We are proud to announce our inaugural Social Impact M-Deal, part of our Impact Series focused on providing critical funding for affordable properties and those serving underserved groups," said Steve Johnson, vice president, Targeted Affordable Housing Production at Freddie Mac Multifamily. "Partnerships like the one with Arc70 allow Freddie Mac to continue to deliver on our mission of preserving and revitalizing affordable housing across the country."

"This Social Impact M-Deal provides financing necessary for critically needed and safe affordable housing, which is the core focus of Arc70," said Denny Hou, co-founder of Arc70. Adrian Garcia, co-founder of Arc70, added, "This transaction demonstrates how our strong long-term partnership with Freddie Mac can work with the capital markets to meet diverse housing needs in underserved communities at scale."

The proceeds from the underlying bonds are used to back 27 rental properties for low-income, veteran and disabled senior residents. These properties include:

- The Abigail Apartments in Portland, Oregon, a newly constructed mixed-use multifamily property where the majority of units are reserved for tenants who meet extremely low- and very low-income criteria.
- Step-Up on Second in Santa Monica, California, a newly renovated apartment complex focused on providing psychosocial rehabilitation and support to homeless and those affected by serious mental issues.
- The Grove at Parkside, a recently constructed property in Washington, D.C., providing affordable housing to tenants making at or below 60% of the area median income.

[Freddie Mac Multifamily](#) is the nation's multifamily housing finance leader. Historically, more than 90% of the eligible rental units we fund are affordable to families with low-to-moderate incomes earning up to 120% of area median income. More than 90% of the mortgages purchased support rental units for households earning 120% of area median income or below. Freddie Mac securitizes about 90% of the multifamily loans it purchases, thus transferring the majority of the expected credit risk from taxpayers to private investors.

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 [FreddieMac.com/blog](#).

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