



Freddie Mac Prices \$751 Million Multifamily K-Deal, K-LU3

May 20, 2021

MCLEAN, Va., May 20, 2021 (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 \$751 million in K Certificates (K-LU3 Certificates) backed by two groups of loans. One group consists of 13 fixed-rate mortgages backed by 13 properties and the other group consists of 2 floating-rate mortgages backed by 2 properties. The K-LU3 Certificates are expected to settle on or about May 27, 2021.

K-LU3 Fixed Pricing

Class	Principal/Notional Amount (mm)	Weighted Average Life (Years)	Spread (bps)	Coupon	Yield	Dollar Price
A1	\$124.600	6.50	S + 14	1.3400%	1.33013	\$99.9947
A2	\$519.511	8.94	S + 24	1.7580%	1.75047	\$99.9976
X1	\$644.111	8.13	T + 250	2.0801%	3.95859	\$13.7929

K-LU3 Float Pricing

Class	Principal/Notional Amount (mm)	Weighted Average Life (Years)	Spread (bps)	Coupon	Yield	Dollar Price
A-FL	\$107.424	6.91		Non-Offered		
X-FL	\$39.786	2.22		Non-Offered		

Details

- Co-Lead Managers and Joint Bookrunners: J.P. Morgan Securities LLC and Morgan Stanley & Co. LLC
- Co-Managers: Baird, Credit Suisse Securities (USA) LLC, Drexel Hamilton, LLC and Goldman, Sachs and Co.

Related Links

- The K-LU3 Preliminary Offering Circular Supplement: <http://www.freddie.mac.com/mbs/data/klu3oc.pdf>
- Freddie Mac Multifamily [Securitization Overview](#)
- [Multifamily Securities Investor Access](#) database of post-securitization data from Investor Reporting Packages

The K-LU3 Certificates are backed by corresponding classes issued by the FREMF 2021-KLU3 Mortgage Trust (K-LU3 Trust) and guaranteed by Freddie Mac. The K-LU3 Trust will also issue certificates consisting of the Class B-FX, C-FX, B-FL, C-FL and Class R Certificates, which will not be guaranteed by Freddie Mac and will not back any class of K-LU3 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, 2020, filed with the Securities and Exchange Commission (SEC) on February 11, 2021; 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, 2020, 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.

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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.

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