



Freddie Mac Multifamily Prices Social Bonds Deal Providing Liquidity to Social Impact Financial Institution

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MCLEAN, Va., Sept. 30, 2021 (GLOBE NEWSWIRE) -- [Freddie Mac](#) (OTCQB: FMCC) today announced it has priced a new issuance of \$102.9 million in Social Bonds. The transaction is Freddie Mac's second Social Bonds deal with IMPACT Community Capital LLC (IMPACT) and provides the firm with additional capital for affordable housing investments throughout the country. Proceeds from the underlying loans are used to finance rental properties in 18 states that serve low- to very low-income residents. Of approximately 3,100 rental units at the properties, about 1,100 are home to renters with very low incomes who make 50% or less of area median income. In addition to providing affordable housing to low- to moderate-income families, institutions receiving liquidity and properties financed from Social Bonds proceeds work to foster various socioeconomic opportunities for residents and their communities.

"The Social Bonds offering is part of our ongoing focus on affordable and workforce properties," said Robert Koontz, the head of Capital Markets for Freddie Mac Multifamily. "Freddie Mac has helped IMPACT finance roughly 4,000 affordable housing units across two Social Bonds transactions, reflecting the company's enduring commitment to working with our partners to innovate solutions in the affordable housing space."

The transaction is a REMIC – FHMR 2020-P011 issuance backed by a pool of Multifamily PCs contributed by an affiliate of IMPACT. The flexibility afforded by the Multifamily REMIC structure allowed IMPACT to create an efficient, diversified structured transaction with advantageous cash flow features, which are expected to maximize transaction proceeds to enable IMPACT to enhance its work in the affordable housing arena.

Michael Lohmeier, chief investment officer at IMPACT, notes, "As an investment manager focused on social impact, partnering with Freddie Mac enhances our ability to provide capital to underinvested communities and provide our investors investment options to meet their strict guidelines. Freddie Mac's ability to bring market-oriented solutions and flexible executions is invaluable to IMPACT and provides both a unique and targeted investment solution."

According to the company's [Social Bonds Framework](#), the proceeds of Freddie Mac's Social Bonds are used either to provide liquidity to social impact financial institutions for financing of affordable housing or to finance multifamily properties originated by the Freddie Mac Multifamily Optigo® network that are affordable to an underserved population.

[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. 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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