



Freddie Mac Announces Multi-Billion Dollar Bond Program Focused on Affordable Housing

October 7, 2021

Company plans to offer at least \$3 billion in affordable housing bonds by end of 2022

MCLEAN, Va., Oct. 07, 2021 (GLOBE NEWSWIRE) -- [Freddie Mac](#) (OTCQB: FMCC) today announced that the company plans to offer at least \$3 billion in Single-Family affordable housing bonds. This new bond program will support affordable homeownership and serve historically underserved markets. To underscore this effort, today the company will offer approximately \$285 million in Uniform Mortgage-Backed Securities™ backed by loans purchased through its [Home Possible®](#) program.

“Freddie Mac is committed to creating additional opportunities for families to access quality housing—and today we are announcing a major action in support of that goal,” said Michael DeVito, CEO of Freddie Mac. “Through this new, multi-billion-dollar affordable housing bond program, we are providing focused liquidity, stability and affordability designed to bring sustainable homeownership opportunities to lower-income borrowers across the country. This is also intended to give investors a vehicle to invest in underserved communities.”

Freddie Mac’s Home Possible mortgage offers a three percent down payment solution, which helps very low- to low-income potential homebuyers overcome the leading barrier to homeownership: affording a down payment. Home Possible mortgages are only available to families with income at or below 80% of area median income.

“This bond offering is another way Freddie Mac is bringing additional support to the housing market—and are part of our comprehensive effort intended to address longstanding issues of inequality in housing,” said Pam Perry, vice president, Single-Family Equitable Housing. “In the future, look for us to expand this offering and strengthen our commitment to this important work.”

In addition to its down payment requirement of as little as three percent, Home Possible offers very low- to low-income borrowers significant additional benefits, including:

- **Lower mortgage insurance coverage requirements**, which enable a lower monthly payment and support affordable and sustainable homeownership. Mortgage insurance is cancelable upon reaching 20 percent equity, potentially saving thousands over the life of the loan.
- **Reduced credit fees**, which enable a lower borrower monthly payment.
- **Flexible sources of down payments**, such as down payment assistance, gifts, and sweat equity, which can be used for down payment and closing costs.
- **Responsible homeownership through required education and counseling for first time homebuyers**, which can be fulfilled by products such as [CreditSmart®](#) [Homebuyer U](#), Freddie Mac’s online, free homeownership education course.

Freddie Mac purchased over 81,000 Home Possible mortgages in the first six months of 2021 and has made homeownership possible for more than 623,000 families through \$121 billion in Home Possible mortgages since 2015.

Today’s offering of securities entirely backed by Home Possible loans builds on existing [Impact Bonds issuances](#) by Freddie Mac Multifamily, which include Green Bonds, Sustainability Bonds and Social Bonds. Multifamily created Impact Bonds to support the division’s mission-driven work and has issued more than \$8.5 billion through these vehicles to date. Separately, Freddie Mac Single Family has issued \$425 million in Green Bonds since April 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, investors and taxpayers. Learn more at [FreddieMac.com](#), Twitter [@FreddieMac](#) and Freddie Mac’s blog [FreddieMac.com/blog](#).

The UMBS securities backed by Home Possible mortgages (as described above) have not been designed to satisfy the social or sustainability criteria of any third-party framework. Accordingly, we can provide no assurance that these securities will be suitable for any particular “social” investment mandate or strategy. Investors should consult their own governance and investment guidelines to determine the suitability of these securities.

This is not an offer to buy or 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 most recent Annual Report on Form 10-K filed with the Securities and Exchange Commission (SEC); all other reports Freddie Mac files with the SEC pursuant to Section 13(a) of the Securities Exchange Act of 1934 (Exchange Act), 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.

The financial and other information contained in this announcement and in the documents that may be accessed through this announcement 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.

These materials may contain forward-looking statements. Forward-looking statements involve known and unknown risks and uncertainties, some of which are beyond the company's control. Management's expectations for the company's future necessarily involve a number of assumptions, judgments and estimates, and various factors could cause actual results to differ materially from the expectations expressed in these and other forward-looking statements. These assumptions, judgments, estimates and factors are discussed in the company's most recent Annual Report on Form 10-K, and its reports on Form 10-Q and Form 8-K, which are available on the Investor Relations page of the company's Web site at <http://www.freddie.mac.com/investors> and the SEC's website at www.sec.gov. The company undertakes no obligation to update forward-looking statements it makes to reflect events or circumstances occurring after the date of this announcement.

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