



Freddie Mac Prices \$317 Million in Multifamily Structured Credit Risk Notes

November 22, 2021

MCLEAN, Va., Nov. 22, 2021 (GLOBE NEWSWIRE) -- [Freddie Mac](#) (OTCQB: FMCC) recently priced a new offering of Multifamily Structured Credit Risk (MSCR) Notes, Series 2021-MN3. The MSCR (pronounced M-SCORE) program is designed to reduce Freddie Mac's exposure to mortgage credit risk and bolster the company's mission of supporting affordable and quality rental housing. MSCR transactions transfer to private investors a portion of the credit risk on eligible multifamily mortgage loans backing certain fully guaranteed securities issued by Freddie Mac through its Participation Certificates program. The approximately \$317 million in [MSCR Notes](#) were priced on November 18, 2021.

The MSCR Notes are unsecured and unguaranteed mezzanine classes issued by a trust. Freddie Mac holds in its entirety the senior loss risk A-H class and the first loss B-2H class in the capital structure, along with retaining a portion of the risk in the class M-1, M-2 and B-1 tranches.

MSCR Notes Series 2021-MN3 Pricing:

Class	Principal/Notional Amount (\$mm)	Initial Credit Enhancement	Weighted Average Life (Years)	Benchmark	Spread (bps)	Price
M-1	\$79.332	5.25%	4.49	30-day SOFR Average	230	\$100.00
M-1H*	\$4.176	5.25%	Non-offered Vertical Reference Tranche			
M-2	\$171.886	2.00%	8.86	30-day SOFR Average	400	\$100.00
M-2H*	\$9.048	2.00%	Non-offered Vertical Reference Tranche			
B-1	\$66.110	0.75%	12.38	30-day SOFR Average	685	\$100.00
B-1H*	\$3.480	0.75%	Non-offered Vertical Reference Tranche			
B-2H*	\$41.754	0%	Non-offered Reference Tranche			

*Each reference tranche represents risk retained by Freddie Mac.

The amount of periodic principal and ultimate principal paid by the trust is determined by the performance of the MSCR 2021-MN3 reference pool, which consists of 270 multifamily loans backing Multifamily PCs issued between December 2020 and October 2021 with an approximate unpaid principal balance of \$5.5 billion. The loans adhere to Freddie Mac's multifamily underwriting, internal fraud prevention and quality control standards.

Details:

Co-Lead Managers and Joint Bookrunners: BofA Securities, Inc. and Goldman Sachs & Co. LLC

Co-Managers: Morgan Stanley & Co. LLC, Samuel A. Ramirez & Company, Inc. and Wells Fargo Securities, LLC

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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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