



Freddie Mac to Issue When-Issued Bonds for Benchmark K-Deal Bond Class

January 10, 2022

MCLEAN, Va., Jan. 10, 2022 (GLOBE NEWSWIRE) -- [Freddie Mac](#) (OTCQB: FMCC) will soon begin marketing a class of Multifamily WI Certificates ([WI Certificates](#)) comprised of a substantial portion of the benchmark A-2 guaranteed bond class of Structured Pass-Through Certificates ([K Certificates](#)®), Series K-140. The company began selling its Class A-M K Certificates through the WI K-Deal® structure in September 2021. The new structure allows Freddie Mac to transfer market risk as it pools collateral for K-Deals®, providing investors early exposure to certain bond classes.

“Freddie Mac Multifamily developed the WI K-Deal to better align the interests of multifamily borrowers and investors and to further risk-manage our core capital markets executions,” said Robert Koontz, senior vice president of Freddie Mac Multifamily Capital Markets. “Last year we executed \$2 billion in WI deals for A-M class bonds. On the heels of those successful offerings, we plan to use the concept on the A-2 bonds for K-140, with the goal of eventually moving the entire principal-bearing guaranteed portion of a deal to the forward-funded structure.”

The WI-K140 deal will be offered the [week of January 24](#).

WI Certificates are funded investments that settle shortly after the offering period. The WI Certificates are tradeable shortly after pricing and are public securities backed by the Freddie Mac guarantee. The WI Certificates initially receive a fixed coupon amount, and, upon delivery of the K Certificates to the WI trust, WI Certificates will bear the same coupon as the coupon of the corresponding class of the newly issued K Certificates.

Investors provide the initial cash collateral for the WI Certificates. Once the WI trust acquires the K Certificates, after a period of no longer than 90 days, investors may exchange their WI Certificates for K Certificates of the corresponding class.

Freddie Mac has published an [investor presentation](#) and [FAQ](#) providing additional details on the WI K-Deal program.

[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.

Freddie Mac's press releases sometimes 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 Annual Report on Form 10-K for the year ended December 31, 2020, 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 www.FreddieMac.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 press release. The multifamily investors section of the company's Web site at <https://mf.freddiemac.com/investors/> will also be updated, from time to time, with any information on material developments or other events that may be important to investors, and we encourage investors to access this website on a regular basis for such updated information.

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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.

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](https://twitter.com/FreddieMac) and Freddie Mac's blog FreddieMac.com/blog.

MEDIA CONTACT: Mike Morosi
(703) 918-5851
Michael_Morosi@FreddieMac.com

